

Housing Benefit and Council Tax Benefit Circular

Department for Work and Pensions

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HB/CTB S1/2012

SUBSIDY CIRCULAR

WHO SHOULD READ	All Housing Benefit (HB) and Council Tax Benefit (CTB) staff
ACTION	For information
SUBJECT	Allocation of Housing Benefit Reforms Transitional Funding in 2012/13

Guidance Manual

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

Queries

If you:

- want **extra copies of this circular/copies of previous circulars**, they can be found on the website at <http://www.dwp.gov.uk/local-authority-staff/housing-benefit/user-communications/hbctb-circulars/>
- have any queries about the:
 - **allocation of funding**, contact HBCTB.SUBSIDYQUERIES@DWP.GSI.GOV.UK
 - **technical content of this circular**, contact marie.savage@dwp.gsi.gov.uk or samuel.spencer@dwp.gsi.gov.uk
 - **distribution of this circular**, contact housing.correspondenceandpgs@dwp.gsi.gov.uk

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Allocation of Housing Benefit Reforms Transitional Funding in 2012/13

Introduction

- 1 This circular sets out the arrangements for distributing £15 million funding for 2012/13 to ease the transition of the Housing Benefit (HB) changes.

Background

- 2 On 30 November 2010, Ministers announced funding of nearly £50 million to support the transition to the HB changes that were announced at the June 2010 Budget.
- 3 We allocated £4 million for 2011/12 through a bidding process, with 10 successful bids from local authorities (LAs). A further £15 million per year will be allocated in 2013/14 and 2014/15.

Distribution of funding for 2012/13

- 4 The £15 million funding for 2012/13 will be allocated to LAs through a formula. The formula is based on the anticipated losses between the pre- and post-reform levels of HB received by private rented sector claimants in each LA area.
- 5 For the purpose of this distribution, the reforms in question are: the Local Housing Allowance (LHA) calculation changing from the median to 30th percentile of rents; the LHA bedroom caps; the restriction to the four-bedroom rate; and the shared accommodation rate restriction for 25 to 34 year-olds. They do not include the loss of the up to £15 excess payment.
- 6 The distribution formula is intended, as far as possible, to target resources in 2012/13 according to need. When making our decision we consulted the local authority associations (LAAs). We have not yet decided how future years' funding will be allocated, but they will reflect customer need and demand brought about as further reforms are implemented.
- 7 [Appendix B](#) shows each authority's allocation for 2012/13.

Intended use of funding

- 8 It is the Government's intention that these funds are used to provide targeted support to help to meet the housing needs of claimants affected by HB reforms. For example, preventing homelessness, negotiating with landlords, supporting people who need to move, and giving money advice. These funds are not intended to meet any new burdens.

- 9 Examples of potential use of funding can include:
- support for Housing Options or Homelessness teams to deal with customers affected by the reforms;
 - obtaining services, such as money advice or help finding work, provided by partner organisations;
 - pooling resources for joint initiatives between different LAs;
 - help with moving and removal costs.
- 10 [Appendix A](#) gives a summary of the bids for transitional funding for 2011/12. We have also published our findings of good practice from visiting LAs: www.dwp.gov.uk/docs/lha-reforms-good-practice.pdf
- 11 We expect LAs to consider the 2011/12 bids and good practice when deciding how funding will be spent.
- 12 We will contact LAs in order to monitor how the funding has been used. We will also share any findings of good practice from initiatives that result from this funding.

Payment of transitional funding

- 13 We will make a one-off payment to each LA. The payment will be made separately from the administration subsidy grant and will be paid during March 2012.

Summary of 2011/12 transitional funding bids

Background

In circular [A9/2011](#) we invited LAs to bid for transitional funding for initiatives to support the implementation of the HB reforms.

Types of bids received

We received 67 bids, and 10 were successful. There were a number of common themes among all the bids.

- The majority of bids were made jointly, by groups of LAs. The reasons given were a better use of resources, to get the right knowledge and skills from different LAs, larger areas covered, and a feeling LAs could achieve more together than on their own. LAs may find the funding they receive in 2012/13 is more effectively spent on combined initiatives with their neighbours.
- A holistic 'one-stop' approach where customers get advice on benefits, housing, moving, money, debt, and finding employment.
- Employing extra staff to pro-actively contact affected claimants or landlords; either on the telephone, through home visits, or by making office appointments.
- Working on joint initiatives with housing options and homelessness teams.
- Working with voluntary and charity organisations, and other organisations such as credit unions or landlord associations.
- Pooling transitional funding with other LA funds (for example, homelessness prevention grants).
- Investing in IT where it will increase the LA's capacity to support claimants affected by the HB reforms.
- Using (or complementing existing) incentives for landlords to bring empty homes back in to use that can be used for letting to claimants affected the HB reforms.

Summary of successful bids

Since the funding was allocated we have stayed in regular contact with the LAs, and visited some of the projects.

- **London Borough of Lambeth** has set up a 'tenancy rescue service'. The HB department are working in partnership with Housing Options and Broadway Housing and Support, a local homelessness charity.

They are pro-actively targeting tenants affected by the reforms, and are working to keep claimants in their homes and sustain tenancies, or help move to suitable accommodation if other options are exhausted. They are holistic in their approach to supporting claimants – as well as providing housing advice they are maximising benefits, teaching money skills, and helping claimants find employment.

There is information about the service on Broadway's website:

www.broadwaylondon.org/WhatWeDo/HousingandSupport/LambethTenancyRescueService.html

- Led by Stockport Council, thirteen LAs of the **Association of Greater Manchester Authorities** (AGMA) have joined together to help tenants affected by the HB reforms. The project links together the HB and Homelessness teams in the region. They have recruited and trained a team that helps tenants stay in their homes by talking to landlords and negotiating rents. Where necessary they will also give advice and support to enable a successful move to a more affordable area.

They have marketed the service, and are already getting a large number of referrals. They have set up a telephone service, a website (www.helpwithrent.org.uk) and use a mobile advice centre vehicle that operates across the region.

- Led by Kirklees Council, five LAs across **West Yorkshire** are setting up a free digital service where landlords can advertise their properties to HB claimants.

They have been successful in marketing the service, and already have a large number of landlords registering their interest. They are planning to launch the site in full shortly. Once up and running, there is potential for LAs in other areas to use the service.

- Led by London Borough of Barking and Dagenham, eight LAs who form the **East London Housing Partnership** are setting up a social lettings agency for the area. They are employing staff who will be advising customers and marketing the service to landlords. The service will find affordable accommodation for claimants from the East London LAs that have to move because of the HB reforms.
- City of **Edinburgh Council** has recruited staff with different knowledge and skills to provide a one-stop service for claimants affected by the HB reforms. They give advice about HB (including fast-tracking claims and awarding DHPs), housing advice (including landlord negotiations), and money advice. They are pro-actively contacting and visiting claimants. They will also be working with a local charity, Cyrenians (www.cyrenians.org.uk), who will help single people affected by the shared accommodation restriction.
- Working with the Northgate Benefit Products Group, **Cambridge City Council** has developed reporting software that can be used by 168 LAs. The functionality was specified by LAs in the group. They are using it to target individual letters to affected claimants, and to run reports which help analysis, communications, and resource planning.

- **London Borough of Brent** has employed officers who pro-actively contact claimants affected by the changes and offer benefits advice, money advice, and negotiations with landlords. Officers are based in both the Benefits and Housing Options teams. They are also working on engaging with landlords and building stronger relationships.
- Led by London Borough of Barnet, the six LAs who form the **North London Housing Partnership** and a local charity, Islington People's Rights (www.ipradvice.org) have set up two regional mobility settlement hubs. The teams at these hubs are giving money advice and practical support, negotiating with landlords, and helping claimants that need to move.
- Led by Cardiff City Council, all **22 Welsh counties** have developed a website that targets help for customers who need to find shared accommodation. They have also employed staff to market the website, liaise with landlords, and support claimants.
- Led by Bristol City Council, the four LAs of the **West of England Partnership** are working with local partners including Credit Unions, Citizens Advice, and the National Landlords Association to establish services for landlords and tenants. The work covers different areas, such as bring empty properties back in to use, supporting claimants in to work, and matching tenants with landlords.

For more information about these initiatives, or for contact details of the people involved, please email either Samuel.Spencer@dwp.gsi.gov.uk or Marie.Savage@dwp.gsi.gov.uk.

Allocation of transitional funding in 2012/13

Local Authority name	Transitional funding allocation 2012/13
Aberdeen City	£12,525
Aberdeenshire	£10,788
Adur	£9,120
Allerdale	£6,048
Amber Valley	£17,182
Angus	£10,604
Argyll and Bute	£9,519
Arun	£27,700
Ashfield	£14,014
Ashford	£12,824
Aylesbury Vale	£17,476
Babergh	£9,867
Barking and Dagenham	£68,143
Barnet	£241,642
Barnsley	£29,879
Barrow-in-Furness	£11,298
Basildon	£27,157
Basingstoke and Deane	£13,478
Bassetlaw	£12,922
Bath and North East Somerset UA	£21,543
Bedford UA	£23,291
Bexley	£38,447
Birmingham	£272,590
Blaby	£7,081
Blackburn with Darwen UA	£35,399
Blackpool UA	£106,614
Blaenau Gwent / Blaenau Gwent	£9,886
Bolsover	£9,761
Bolton	£47,789
Boston	£10,221
Bournemouth UA	£80,331
Bracknell Forest UA	£13,173
Bradford	£123,787
Braintree	£16,257
Breckland	£15,190
Brent	£522,149
Brentwood	£8,566
Bridgend / Pen-y-bont ar Ogwr	£27,641
Brighton and Hove UA	£137,152
Bristol, City of UA	£131,153
Broadland	£9,077
Bromley	£58,830
Bromsgrove	£6,660
Broxbourne	£16,397

Broxtowe	£12,955
Burnley	£17,739
Bury	£36,695
Caerphilly / Caerffili	£19,047
Calderdale	£39,079
Cambridge	£16,073
Camden	£192,363
Cannock Chase	£9,063
Canterbury	£23,039
Cardiff / Caerdydd	£88,661
Carlisle	£9,317
Carmarthenshire / Sir Gaerfyrddin	£28,393
Castle Point	£15,726
Central Bedfordshire UA	£19,936
Ceredigion / Ceredigion	£13,814
Charnwood	£10,112
Chelmsford	£21,254
Cheltenham	£22,494
Cherwell	£18,328
Cheshire East UA	£43,523
Cheshire West and Chester UA	£37,269
Chesterfield	£14,915
Chichester	£12,008
Chiltern	£7,235
Chorley	£8,438
Christchurch	£6,281
City of London	£3,955
Clackmannanshire	£4,902
Colchester	£31,263
Conwy / Conwy	£32,825
Copeland	£4,323
Corby	£7,440
Cornwall UA	£107,089
Cotswold	£9,446
County Durham UA	£84,959
Coventry	£84,370
Craven	£5,656
Crawley	£18,649
Croydon	£192,448
Dacorum	£15,529
Darlington UA	£23,261
Dartford	£21,042
Daventry	£6,077
Denbighshire / Sir Ddinbych	£26,758
Derby UA	£51,256
Derbyshire Dales	£4,324
Doncaster	£59,593
Dover	£22,458
Dudley	£42,768

Dumfries and Galloway	£10,539
Dundee City	£28,241
Ealing	£275,656
East Ayrshire	£13,009
East Cambridgeshire	£9,582
East Devon	£19,975
East Dorset	£8,195
East Dunbartonshire	£6,481
East Hampshire	£5,981
East Hertfordshire	£12,202
East Lindsey	£32,304
East Lothian	£9,397
East Northamptonshire	£6,537
East Renfrewshire	£5,498
East Riding of Yorkshire UA	£57,744
East Staffordshire	£15,637
Eastbourne	£29,454
Eastleigh	£12,535
Eden	£2,926
Edinburgh, City of	£110,397
Eilean Siar	£677
Elmbridge	£20,092
Enfield	£215,103
Epping Forest	£18,214
Epsom and Ewell	£13,818
Erewash	£16,540
Exeter	£22,310
Falkirk	£12,060
Fareham	£7,288
Fenland	£14,622
Fife	£36,472
Flintshire / Sir y Fflint	£22,925
Forest Heath	£10,029
Forest of Dean	£9,576
Fylde	£14,130
Gateshead	£29,651
Gedling	£16,693
Glasgow City	£102,091
Gloucester	£25,429
Gosport	£12,736
Gravesham	£26,546
Great Yarmouth	£29,606
Greenwich	£60,022
Guildford	£20,214
Gwynedd / Gwynedd	£16,559
Hackney	£254,015
Halton UA	£20,994
Hambleton	£5,864
Hammersmith and Fulham	£133,623

Harborough	£4,874
Haringey	£208,524
Harlow	£15,586
Harrogate	£19,778
Harrow	£82,093
Hart	£4,954
Hartlepool UA	£32,121
Hastings	£36,138
Havant	£16,590
Havering	£43,903
Herefordshire, County of UA	£15,085
Hertsmere	£15,349
High Peak	£11,001
Highland	£12,062
Hillingdon	£84,335
Hinckley and Bosworth	£6,874
Horsham	£10,412
Hounslow	£93,456
Huntingdonshire	£10,506
Hyndburn	£24,104
Inverclyde	£10,183
Ipswich	£24,547
Isle of Anglesey / Ynys Môn	£15,341
Isle of Wight UA	£30,654
Isles of Scilly	£0
Islington	£154,251
Kensington and Chelsea	£460,766
Kettering	£11,900
King's Lynn and West Norfolk	£18,366
Kingston upon Hull, City of UA	£52,194
Kingston Upon Thames	£46,965
Kirklees	£99,949
Knowsley	£45,475
Lambeth	£125,739
Lancaster	£27,152
Leeds	£216,016
Leicester UA	£53,707
Lewes	£17,562
Lewisham	£177,545
Lichfield	£5,535
Lincoln	£18,300
Liverpool	£214,417
Luton UA	£46,231
Maidstone	£16,898
Maldon	£8,116
Malvern Hills	£7,890
Manchester	£146,910
Mansfield	£13,803
Medway UA	£75,387

Melton	£3,401
Mendip	£18,698
Merthyr Tydfil / Merthyr Tudful	£8,459
Merton	£62,890
Mid Devon	£7,781
Mid Suffolk	£6,473
Mid Sussex	£11,730
Middlesbrough UA	£50,284
Midlothian	£8,025
Milton Keynes UA	£65,618
Mole Valley	£6,539
Monmouthshire / Sir Fynwy	£7,054
Moray	£4,211
Neath Port Talbot / Castell-nedd Port Talbot	£38,253
New Forest	£18,722
Newark and Sherwood	£11,780
Newcastle upon Tyne	£42,787
Newcastle-under-Lyme	£10,719
Newham	£116,368
Newport / Casnewydd	£29,204
North Ayrshire	£20,524
North Devon	£19,454
North Dorset	£4,687
North East Derbyshire	£6,287
North East Lincolnshire UA	£35,107
North Hertfordshire	£10,084
North Kesteven	£10,452
North Lanarkshire	£33,236
North Lincolnshire UA	£15,894
North Norfolk	£10,525
North Somerset UA	£42,416
North Tyneside	£32,527
North Warwickshire	£6,092
North West Leicestershire	£6,349
Northampton	£45,244
Northumberland UA	£35,288
Norwich	£23,330
Nottingham UA	£57,992
Nuneaton and Bedworth	£18,387
Oadby and Wigston	£4,256
Oldham	£41,117
Orkney Islands	£928
Oxford	£46,188
Pembrokeshire / Sir Benfro	£28,379
Pendle	£14,435
Perth and Kinross	£13,031
Peterborough UA	£35,892
Plymouth UA	£62,370
Poole UA	£31,679

Portsmouth UA	£45,930
Powys / Powys	£14,781
Preston	£22,017
Purbeck	£5,262
Reading UA	£58,394
Redbridge	£114,632
Redcar and Cleveland UA	£30,324
Redditch	£12,485
Reigate and Banstead	£13,149
Renfrewshire	£13,372
Rhondda, Cynon, Taff / Rhondda, Cynon, Taf	£52,265
Ribble Valley	£4,303
Richmond Upon Thames	£37,760
Richmondshire	£4,428
Rochdale	£41,997
Rochford	£8,424
Rossendale	£13,200
Rother	£16,230
Rotherham	£25,979
Rugby	£9,380
Runnymede	£10,050
Rushcliffe	£8,650
Rushmoor	£15,347
Rutland UA	£1,853
Ryedale	£3,972
Salford	£66,146
Sandwell	£62,410
Scarborough	£32,474
Scottish Borders	£9,010
Sedgemoor	£23,095
Sefton	£73,572
Selby	£8,667
Sevenoaks	£8,685
Sheffield	£56,538
Shepway	£31,561
Shetland Islands	£211
Shropshire UA	£21,768
Slough UA	£74,773
Solihull	£26,979
South Ayrshire	£15,396
South Bucks	£8,013
South Cambridgeshire	£15,590
South Derbyshire	£9,917
South Gloucestershire UA	£34,284
South Hams	£12,978
South Holland	£12,754
South Kesteven	£15,329
South Lakeland	£8,304
South Lanarkshire	£31,434

South Norfolk	£12,538
South Northamptonshire	£5,250
South Oxfordshire	£12,495
South Ribble	£8,714
South Somerset	£15,431
South Staffordshire	£4,719
South Tyneside	£25,545
Southampton UA	£54,631
Southend-on-Sea UA	£64,877
Southwark	£76,542
Spelthorne	£15,265
St Albans	£12,387
St Edmundsbury	£14,158
St. Helens	£26,525
Stafford	£8,275
Staffordshire Moorlands	£10,198
Stevenage	£9,229
Stirling	£7,306
Stockport	£42,010
Stockton-on-Tees UA	£43,546
Stoke-on-Trent UA	£62,320
Stratford-on-Avon	£13,605
Stroud	£13,004
Suffolk Coastal	£12,118
Sunderland	£78,693
Surrey Heath	£6,562
Sutton	£46,359
Swale	£35,420
Swansea / Abertawe	£51,142
Swindon UA	£26,636
Tameside	£28,205
Tamworth	£8,407
Tandridge	£9,389
Taunton Deane	£16,951
Teignbridge	£26,414
Telford and Wrekin UA	£28,807
Tendring	£50,279
Test Valley	£8,173
Tewkesbury	£8,693
Thanet	£75,924
The Vale of Glamorgan / Bro Morgannwg	£27,795
Three Rivers	£10,812
Thurrock UA	£40,466
Tonbridge and Malling	£7,034
Torbay UA	£67,619
Torfaen / Tor-faen	£8,805
Torridge	£13,027
Tower Hamlets	£128,333
Trafford	£33,407

Tunbridge Wells	£10,827
Uttlesford	£8,543
Vale of White Horse	£9,992
Wakefield	£43,364
Walsall	£46,057
Waltham Forest	£120,219
Wandsworth	£195,959
Warrington UA	£22,483
Warwick	£15,838
Watford	£20,860
Waveney	£24,970
Waverley	£10,104
Wealden	£15,273
Wellingborough	£8,003
Welwyn Hatfield	£6,535
West Berkshire UA	£16,715
West Devon	£6,149
West Dorset	£11,157
West Dunbartonshire	£7,990
West Lancashire	£10,637
West Lindsey	£13,466
West Lothian	£14,348
West Oxfordshire	£9,108
West Somerset	£7,568
Westminster	£1,311,681
Weymouth and Portland	£21,484
Wigan	£34,272
Wiltshire UA	£42,849
Winchester	£8,230
Windsor and Maidenhead UA	£18,642
Wirral	£107,233
Woking	£15,283
Wokingham UA	£13,764
Wolverhampton	£57,632
Worcester	£18,540
Worthing	£20,959
Wrexham / Wreccsam	£11,824
Wychavon	£9,123
Wycombe	£20,088
Wyre	£23,580
Wyre Forest	£16,732
York UA	£27,609