

## Housing Benefit and Council Tax Benefit Circular

Department for Work and Pensions

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# HB/CTB S3/2012

### SUBSIDY CIRCULAR

<b>WHO SHOULD READ</b>	Housing Benefit and Council Tax Benefit managers and staff. Officers preparing subsidy claims and estimates
<b>ACTION</b>	Urgent. This circular details a time bound easement to the subsidy rules around overpayments
<b>SUBJECT</b>	Duplication of New Tax Credit (NTC) data in ATLAS notifications.

### 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
  - **subsidy easement**,  
Email: [HBCTB.SUBSIDYQUERIES@DWP.GSI.GOV.UK](mailto:HBCTB.SUBSIDYQUERIES@DWP.GSI.GOV.UK)
  - **ATLAS notifications**,  
Email: [LA-SST.HDD@DWP.GSI.GOV.UK](mailto:LA-SST.HDD@DWP.GSI.GOV.UK)
  - **distribution of this circular**, contact  
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## **Duplication of NTC data in ATLAS notifications**

### **Introduction**

1. The Department is aware that during the period 9 to 19 April 2012 local authorities (LAs) received ATLAS files that included a great deal of duplicated New Tax Credit (NTC) data.
2. We recognise that this issue caused a backlog of work for LAs; therefore we are implementing a temporary easement to the rules regarding the classification of overpayments/subsidy. This should help to mitigate any subsidy losses this backlog of data could cause.

### **Duplication of NTC data**

3. We became aware on Friday 13 April 2012 that the ATLAS files that LAs were receiving included duplicated NTC data. We worked to identify the source of the problem and to resolve the issue urgently and on 19 April 2012 the problem was fixed; ATLAS files from 20 April 2012 have not included the duplication.
4. The actual period of duplication was from 9 April 2012 to 19 April 2012.
5. The rules regarding the classification of overpayments mean that any overpayment occurring after the date of the ATLAS notification would normally need to be classed as LA error. However, as the duplication has caused a backlog within some LAs, this could impact upon the level of subsidy which is payable to that LA in relation to LA error overpayments.

### **Easement**

6. Given the increase in workload that the duplication caused, the Department has decided that any overpayment that occurred because of a unactioned ATLAS notification can be treated as Departmental error if the ATLAS notification was received between 9 April 2012 and 19 April 2012.
7. However, we are unable to allow this easement to last indefinitely because we all have a duty to protect the public purse and so overpayments of Housing Benefit and Council Tax Benefit (HB/CTB) do need to be identified. For that reason any such overpayment continuing for two months after the date of this circular (11 July 2012 onwards) will need to be treated as LA error for the whole period from receipt of the ATLAS notification.
8. Some ATLAS notifications may include information that would identify an underpayment of HB/CTB and it is equally important that these claimants receive their correct entitlement.
9. We feel this is fair and considered approach to this issue.

10. We will work on the necessary changes to the Subsidy Order to allow this to happen, and speak to the audit bodies so that they are aware of this issue. However, LAs which implement this easement will need to be in a position to provide supporting evidence to their auditors should they be asked for it as auditors will wish to ensure that the classifications reported in final subsidy claim forms are fully supported, thus meeting the requirements of both LA Responsible Finance Officers and the Department.
11. We apologise unreservedly for the inconvenience that has undoubtedly been caused by the duplication of data.