



Customer Centric Services, Chesterfield

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Intended to explain major changes currently affecting claimant households, arvato services and the Council

Universal Credit

- **March 2015 new claims where single young people**
- **November 2017 – start of ‘full service digital’ roll out for all new claims and changes in circumstances**
- **Migration of all other legacy claims 2018 – 2021?**

Impact on workloads and planning of services

Benefit Cap changes

Planning for the future

Cumulative effect on HB & CTS caseload

CBC – started March 2015

Caseload May 2015	Caseload May 2016	Caseload December 2016
11,868 (CBC)	11,451 (CBC)	11,193 (CBC)

Impact on cases

- Expected reduction in combined HB and CTS caseload for working age claimants.
- Limited impact currently on overall caseload since UC claimants still need to be assessed for CTS.
- Caseload affected by other welfare reform issues i.e., allowance freezing, CTS replacing CTB etc.



Universal Credit Full Service Digital Roll Out

UC has been initially introduced for new claimants who satisfied 'gateway conditions' – 2017 sees the start of a new phase where national roll out of 'full service' will commence.

- Chesterfield Jobcentre – scheduled for November 2017 and will see all new claimants join UC
- Some current claimants will also be affected, should a change of circumstance prompt them to make a new claim for 'legacy' benefits or tax credits, which are replaced by UC
- The official 'migration' of current claims of legacy benefits and tax credits is due to take place between 2018 and 2021.
- Currently 181 local households receive CTS based on UC – consider that we have 6,143 Working Age households in receipt of HB in May 2016 – all will be transferred over to UC at the point they experience a change in circumstances
- We are:
 - Engaging with DWP to identify the work required to prepare and ensure that transition goes smoothly
 - Working with other CBC services to manage risks
 - To ensure claimant households are aware of their responsibilities and to pay their rent
 - Assistance and advice from Sefton

Universal Credit impacts on workloads

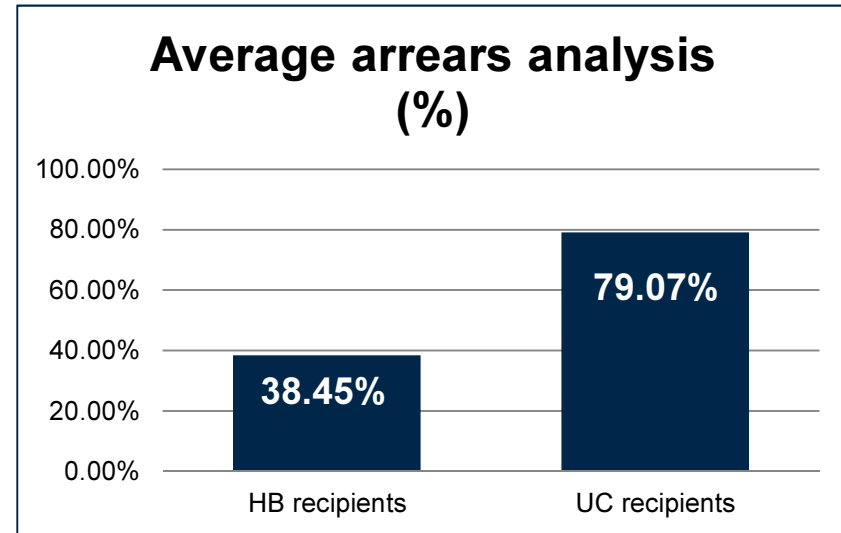
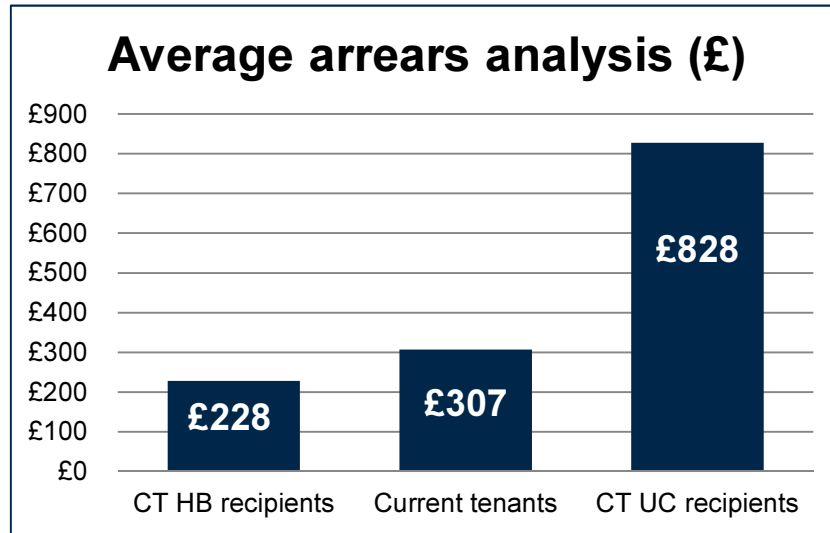
	CBC 2014-15	CBC 2015-16	Trend	2016/17 (up to 31/12/16)
Claims	6,347	5,879	Reduced 468	3,845 (5,127)
Changes	43,331	43,928	Increased 597	26,549 (44,000+)
Total	49,626	49,807	Increased 181	30,394 (50,000+)

Impact on workload

- Decisions on workforce changes and reallocation of duties.
- Long term plan was to merge HB and Ctax since CTS is a discount not a benefit.
- No current reduction in benefit workload.
- Work in progress to establish 'specified accommodation'. Housing costs will remain paid as HB not UC.
- DPA – increase of budgeting support roll of 2 assessors

Rent Service

Analysis carried out shows:-



Rent Service

Impact on cases

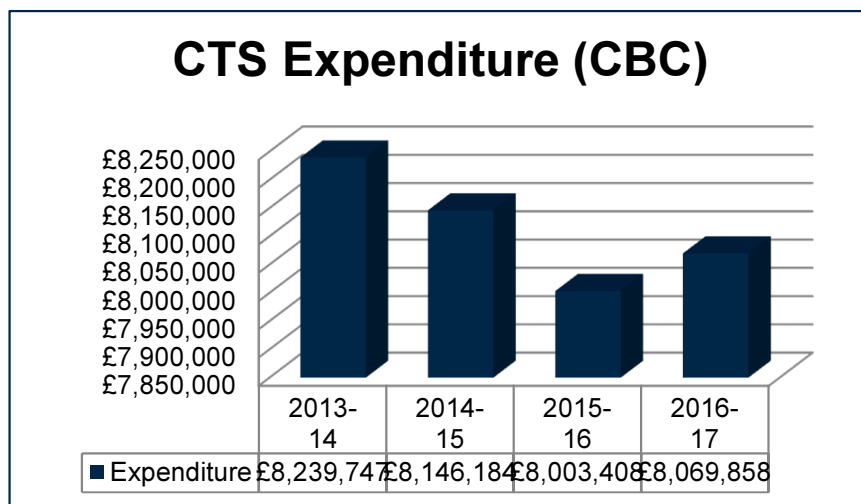
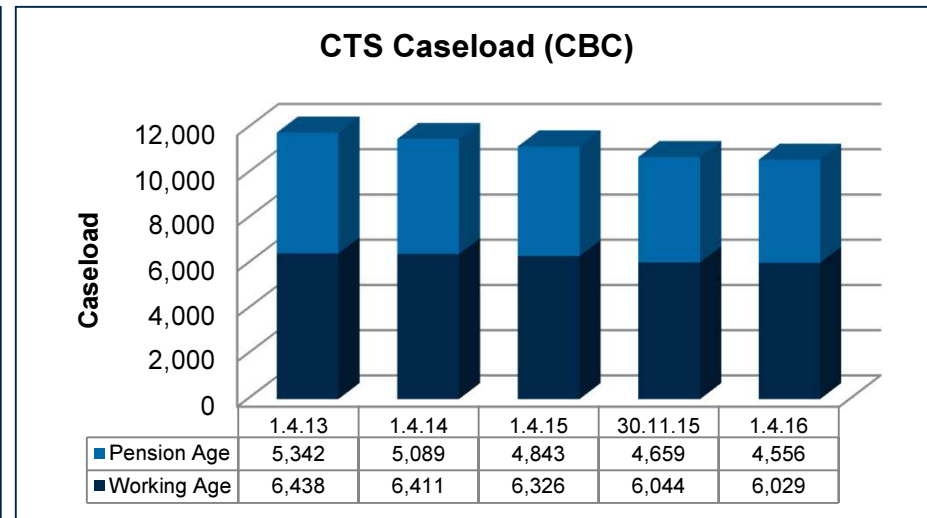
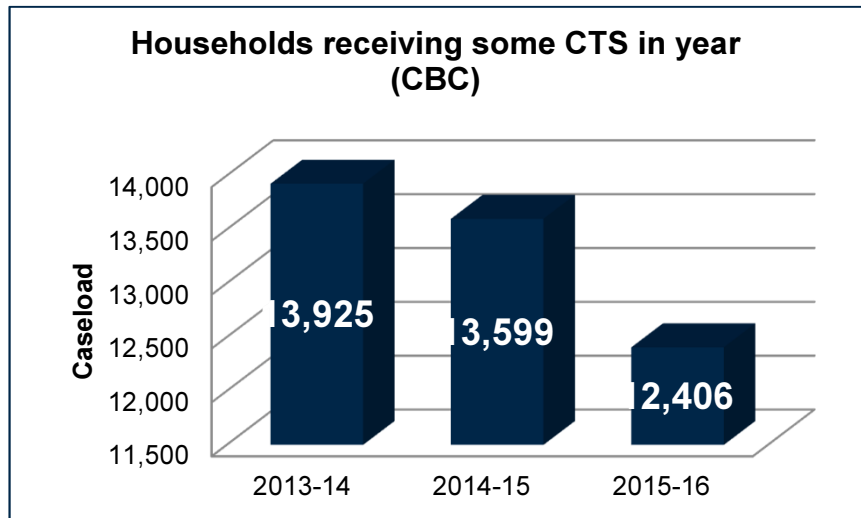
- UC is having a significant impact on rent collection.
- Paid in arrears with first payment usually 6 weeks after date of claim.
- UC paid to the claimant and not the landlord

- Early indication is that is that many former HB claimants are struggling with the UC conditionality and are incurring sanctions which for may means a housing cost sanction as well as living cost sanctions.

Our review work is ongoing and is used to inform working practices

Welfare Reform

CTS replacement of CTB from April 2013



- The 2016-17 increase of 0.83% is affected by the increase in Council Tax charges of 3.6% Chesterfield and Brimington, and 4.1% Staveley.

Without this there would have been a reduction.

CTS

No Scheme changes for 2017/18

- No changes to the Local Scheme since the start with Working Age claimants continuing to have an 8.5% reduction from liability
- Officers continue to review the affordability of the scheme and update CBC
- April 2016 changes to HB scheme for backdating and family premium have not been mirrored in the CTS schemes.
- Valuation Tribunal are critical of LAs for not considering section 13 of the LGFA discretion to further reduce Council Tax liability.,
This has mainly come about from appeals where CTS schemes have a reduction of 20%+ for working age claimants.

Something to be said for keeping the scheme as generous as possible for working age claimants since discretionary awards are funded fully by the billing authority not preceptors.

- Year on year reduction in expenditure
- Need to establish how much funding is received currently for CTS scheme.

Welfare Reform Changes (Including HB) 2016-17

April 2016

- Working age backdating reduced to one month.
 - General admin issues and customer information.
 - Impact on rent collection.
 - Freeze on allowances mirrored also in CTS scheme so impact on Council Tax collection.
- National Living Wage (workers aged 25 and over)
 - Reassessment of HB and CTS. Already having increases reported by claimants.
Fill review to pick up any no-notified in June 2016.
 - May impact on caseload.
- Reduction in Social Sector Rents by 1% a year for 4 years.
 - Can only be beneficial for Rent collection purposes.
 - Increased difficulty in administering HB for specified accommodation.
 - Financial impact for our clients where the provider of supported accommodation is not a registered so HB expenditure is not fully received back in subsidy.

Welfare Reform



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Welfare Reform Changes (Including HB) 2016-17

Autumn 2016: Benefit Cap

- Reduction in Benefit Cap income to £20,000 for families and £13,400 for single claimants.
 - As at 1/1/17 - CBC has 81 local households impacted on by Benefit Cap changes
 - Benefit Take up exercise commenced in June 2016 to help households 'avoid cap' (identify PIP, CA cases which are exempt from the cap.
- Average HB reduction of £49.20pw (lowest: £1.96 and highest: £149.09)

Increase in DHP budget for 2016-17 (Increase cost to administer).

- 2017/18 budget not yet announced
- We seek to identify vulnerability and award additional assistance

	2015-16	2016-17	Diff
Chesterfield	£173,312	£208,948	Inc £35,636

Welfare Reform Changes (Including HB) in future years

April 2017

- Housing Support removal for UC claimants aged 21 or under (some exceptions).
 - Massive implications for rent collection and housing allocation policies.
 - Not aware at the moment that this extends to HB as well.

April 2019

- Capping HB for tenants in social housing to LHA rates for tenancies starting on or after 1/4/2016 (1/4/2017 for tenants in supported accommodation).
 - we plan to assess this for Council tenancies to measure the impact
- by
 - comparing the expecting rents after taking account of the 1% reduction to LHA rates.
 - Single aged under 35 year olds are the group affected most and will have to have an impact on housing allocation policies.
 - Will there be an increase in government contribution to DHP/cost of administration?
- What is the future of DHP funding?



Welfare Reform Action Plan

- Benefit Cap – Benefit take up exercise commences June 2016 onwards.
Identification of claimants who are not in receipt of CA and PIP who potentially may be entitled – which would in turn mean exemption from the cap.
- Additional WR funding for Rents – Request for the funding to be extended for a further 6 months up to end March 2017.
Awaiting sign off.
- Ongoing Full review of the impact of UC on rent collection.
 - Reviewing the recovery activity to ensure robust and timely.
 - meaningful data to inform decision making and planning.
- Take up activity around customers claiming CTS for UC recipients.
 - Early indication that UC customers are not claiming CTS due to the complicated process.
- Reviewing process across rents to determine processes are as effective and as lean as possible to aid collection.

GLOBAL TRANSITION OF STAFF SKILLS AND TRAINING ACROSS THE REVENUES FUNCTIONS.

Questions



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- Any questions?

Thank you



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