

Draft Scoping Document

Name of Review/Project:

Reimbursement of Housing Benefit Subsidy

Terms of reference:

To review the amount of subsidy reimbursed from the Government to the Council in respect of:

- Homeless Persons
- Vulnerable Groups in Supported Accommodation
- To support the administration of housing benefits

Please provide details of relevant Corporate Plan Themes and Priorities:

Value for Money – maximising resources for the Council to enable it to deliver appropriate housing services that address community requirements (i.e. the “Safe and Secure Theme”).

Key Issues and Aim(s) of the Review

- To review options on whether there are more efficient ways in which the costs of accommodation for homeless persons and vulnerable groups can be provided.
- To look at ways of lobbying the DWP (possibly in conjunction with other authorities) to increase the maximum amounts that are applicable for subsidy.

Why should the review take place now?

The cost of providing benefits to these groups of people has increasingly been falling on local authorities due to national limits on allowances not keeping pace with actual costs. In addition, the amount of grant for administering benefits nationally has also fallen when caseloads (people claiming benefit) has been increasing.

The Council has had to absorb these costs within its budget. Given the overall amount involved (the Council currently administers 10,000 benefit cases and pays out £22m per year) this is not insignificant given the Council's overall budgets.

It is true that the whole system for dealing with benefits with the introduction of Universal Credit will change wholesale by 2013/14. However in the meantime, the cost falling on the Council continues to increase and this could be exacerbated if there is a delay in the introduction of Universal Credit.

Potential outcome/s

- New method of housing homeless and vulnerable people in need and on benefit.
- Generation of greater subsidy and administration grant to reflect actual costs.

What will not be included:

The administration of benefits with all its different components is complex. Therefore, the review deliberately concentrates on specific aspects and the terms of reference reflect that.

Consequently, the review will not include day to day processes and procedures for dealing with claims including error and fraud, nor will it include people's actual entitlement to benefit.

Risks:

Transition to the new system of Universal Credit will take over any review and consume resources accordingly.

In addition, if Universal Credit is implemented as planned, any financial benefit to the Council from changing the housing arrangements of the people groups concerned could transfer to another agency.

Members undertaking the Review (if a sub-group is to be used):

Possible co-options:

Which policy committee(s) does it relate to?

Finance and Management Committee

Key stakeholders/ consultees:

- Vulnerable groups concerned
- Service providers – bed and breakfast accommodation (hotels), charities, private landlords, housing associations, etc.
- DWP
- Other local authorities

Potential contributors and research required:

Head of Client Services (Revenues and Benefits)
Housing Services (SDDC)
Northgate (Administrator of benefit claims)

Potential research on options for type of accommodation used, etc. and how other authorities deal with these issues.

Potential visits:

Other local authorities
Other landlords

Are there any Budgetary Implications?

- Could be travel costs but these should be contained within current resources
- May need to reprioritise officer time

Officer support required:

To be co-ordinated and advised by the Chief Finance Officer and Head of Environmental/Housing Services.

Period for Review:

Start date: **1st October 2011**

Approximate meeting dates:

Proposed completion date: 31st March 2012

Report date(s) to committees:

- Background, Initial Research and Approach – 26th October
- Updates and discussion at subsequent planned meetings

Publicity (e.g. of recommendations)

Date Scoping Document Completed: _____