

RIBBLE VALLEY BOROUGH COUNCIL
REPORT TO HEALTH AND HOUSING COMMITTEE

DECISION

Agenda Item No

meeting date: 12 NOVEMBER 2009
title: HOUSING BENEFIT VERIFICATION FOR RIBBLE VALLEY HOMES
submitted by: DIRECTOR OF RESOURCES
principal author: MARK EDMONDSON

1 PURPOSE

1.1 To inform Committee about the scheme which exists that allows Registered Social Landlords (RSL's) to act on behalf of local authorities to check claims made by their tenants and verify evidence required under the Housing Benefit/Council Tax Benefit Verification Framework.

1.2 Relevance to Council's ambitions and priorities:

➤ Council ambitions/community objectives/corporate priorities

Council Tax and Housing Benefit impacts directly on our ambition to match the supply of homes in our area with the identified housing need. These proposals will have a direct impact on the affordability of housing for local people in respect of Housing Benefit.

2 BACKGROUND

2.1 In 2001 the Department of Work and Pensions (DWP) launched a pilot scheme to involve RSL's in the Council Tax and Housing Benefit process.

2.2 The aim of the pilot scheme was to see if the RSL Verification Framework Scheme could contribute to an improvement in Council Tax/Housing Benefit administration and RSL's cash flow. The pilot was a success, with RSL's, Local Authorities and tenants welcoming the scheme. Processing times for Council Tax/Housing Benefit claims improved and RSL's saw improvements in their cash flow as fewer tenants fell into arrears.

2.3 The Verification Framework is a best practice approach to delivering Council Tax/Housing Benefit. It is based on the premise that all information on claims for Council Tax/Housing Benefit must be verified by examining original documentation, as part of a preventative approach to fraud and error. The DWP produced a manual that sets out the minimum requirements and processes involved.

2.4 Historically our Benefits section has had excellent results for processing times and rates of error, and as such it has not been deemed necessary to implement this scheme.

2.5 The transfer of our housing stock to Ribble Valley Homes on 1 April 2008 resulted in a significant change in how we process claims for Housing Benefit for tenants of the new RSL. Prior to stock transfer, as we were the landlords of these properties it was not necessary for us to verify the rent payable as our system automatically held the data. Since 1 April 2008, we have been required to verify each rent when a new claim is made in the same way as any other private landlord. This has resulted in a significant increase in the workload of the Benefits section as these cases make up approximately 40% of our total caseload (650 of 1,650).

3 ISSUES

- 3.1 Ribble Valley Homes has expressed an interest in becoming an RSL Verification Framework approved landlord. They are part of the wider Vicinity group and all of the other RSL's who are part of that group are already RSL Verification Framework approved.
- 3.2 The DWP recommends in its guidance manual that Local Authorities should set up such schemes with RSL's who they have a good relationship with. In particular, they state that RSL's created as a result of large scale voluntary stock transfers should be deemed suitable for participation in the scheme.
- 3.3 The manual also lays down the processes that must be undertaken to implement the scheme:
- Local Authority decides to invite RSL to participate
 - Partners agree key contacts and type of claims to be included
 - A legal contract is agreed
 - RSL offices designated by the Local Authority for Council Tax/Housing Benefit purposes and RSL updates their registration with Data Protection Register
 - Local Authority develops and delivers training to RSL staff
 - Upon scheme implementation, Local Authority monitors performance and quality to ensure RSL performs to Verification Framework standards
- 3.4 A model contract is included in the DWP guidance manual which has been adapted and approved by our Legal Services Section.
- 3.5 If this approval is successful we may look to extend the scheme to other RSL's in the area.

4 RISK ASSESSMENT

4.1 *Resources*

The implementation of this scheme will not have any financial resource implications. However, by transferring the verification to Ribble Valley Homes it is hoped that this will help to improve processing times by ensuring that all the necessary information required to process a claim is received at the earliest opportunity.

4.2 *Technical, Environmental and Legal*

There is no legal requirement for us to adopt this scheme; however, best practice would suggest that we should. A contract will be required as detailed above and we will be required to ensure that Ribble Valley Homes performs to Verification Framework standards.

4.3 *Equality and Diversity Issues*

The approval of Ribble Valley Homes as a RSL Verification Framework landlord will extend the avenues that tenants of Ribble Valley Homes can use to make claims. The establishment of a single point of contact at Ribble Valley Homes offices should improve the experience of their tenants when making a claim i.e. it will be possible for them to submit their claim at the same time that they sign their tenancy agreement.

4.4. *Political and Reputational*

Best practice recommends that Local Authorities adopt this scheme wherever possible. Our Benefit section has an excellent performance record and has a high level of customer satisfaction. It is therefore essential that we monitor the impact of this scheme to ensure that performance does improve.

5 RECOMMENDED THAT COMMITTEE

- 5.1 Approve Ribble Valley Homes as a Registered Social Landlord for the purposes of the Verification Framework Scheme.
- 5.2 Designate Ribble Valley Homes offices for Housing/Council Tax Benefit purposes.
- 5.3 Authorise entry into the legal agreement.

REVENUES AND BENEFITS MANAGER

H13-09/ME/AC
2 November 2009