

Housing Benefit and Council Tax Benefit Circular

Department for Work and Pensions

1st Floor, Caxton House, Tothill Street, London SW1H 9NA

HB/CTB A3/2010

ADJUDICATION AND OPERATIONS CIRCULAR

WHO SHOULD READ	All Housing Benefit (HB) and Council Tax Benefit (CTB) staff
ACTION	For information
SUBJECT	Permitted work: obtaining details from Jobcentre Plus

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
 - **technical content of this circular**, contact Christine Watkins
Email: christine.watkins@dwp.gsi.gov.uk
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Permitted work: obtaining details from Jobcentre Plus

Introduction

- 1 Circular HB/CTB A24/2009 provided guidance on two new Housing Benefit (HB) and Council Tax Benefit (CTB) earnings disregards to be introduced from April 2010. The new disregards are in respect of customers who are doing permitted work while claiming contributory Employment and Support Allowance (ESA(C)), Incapacity Benefit (IB) or Severe Disablement Allowance (SDA) (including credits only cases).

Please note: The new disregards do not apply to customers receiving income-related ESA (ESA(IR)) or Income Support (IS), as they get linked entitlement to full eligible HB/CTB.

- 2 Paragraph 15 of circular HB/CTB A24/2009 said that Jobcentre Plus will make the information available to you clerically. This circular contains guidance on obtaining the information, which disregard to apply and from when for
 - customers claiming ESA(C), IB, SDA who are doing permitted work when they make their HB/CTB claim
 - customers already receiving HB/CTB who start permitted work whilst continuing to claim ESA(C), IB or SDA
 - customers getting HB/CTB who are claiming ESA(C), IB or SDA already doing permitted work when the new disregards take effect in April 2010, and
 - customers already doing permitted work, who have a weekly £20 disregard of earnings from permitted work, who start to earn more than £20

Background

- 3 From April 2010, the earnings disregard for customers of standard HB/CTB will be either £20 or £93 a week if they are
 - also claiming ESA(C), IB or SDA (and credits only cases), and
 - doing permitted work

The higher disregard may be limited to a period of 52 weeks – see Circular A24/2009 for the details.

- 4 The permitted work categories are within the ESA/IB regulations so the Jobcentre Plus decision maker will decide
 - whether work done by an ESA(C), IB or SDA customer falls into the permitted work category
 - the limit that applies (£20 or £93), and
 - whether that limit is also time limited

Therefore, in order to apply the correct disregard in HB/CTB for the correct amount of time you will need to ask Jobcentre Plus to provide you with the relevant details.

Why can't Jobcentre Plus supply the information automatically?

- 5 You will need to ask Jobcentre Plus for the information as DWP computer systems may not hold details of whether there is an HB/CTB interest when the customer is not receiving an income-related benefit. Therefore, Jobcentre Plus cannot be more proactive in supplying the information. A clerical method of obtaining the information has been set up because there isn't time to introduce an automated IT method before April 2010. However, we are continuing discussions with Jobcentre Plus colleagues about devising an automated solution.

How do I know which customers may be doing permitted work?

- 6 There are four possible scenarios
- a HB/CTB claim is made and the ESA(C), IB or SDA customer is already working
 - b ESA(C), IB, SDA customer starts work after their HB/CTB has been awarded
 - c ESA(C), IB, SDA customer is already working when the new disregards are introduced in April 2010
 - d HB/CTB customer is already doing permitted work and has a £20 a week disregard and starts to earn more
- 7 The four scenarios also apply to credits only cases. If any one of the above scenarios applies you will need to ask Jobcentre plus to supply you with the relevant details.

What details do I need?

- 8 You will need to ask Jobcentre Plus staff to tell you
- whether the work is permitted work (it could be other work, see circular HB/CTB A24/2009, Appendix A)
 - which limit applies to ESA(C), IB or SDA (ie £20 or £93)
 - if £93, whether it is time limited
 - if the £93 is time limited, the date that limit ends
 - if the limit increases, the date the increase happens and whether it is time limited

How do I get the details?

- 9 Jobcentre Plus needs you to make requests for information in writing, either using a paper process or via secure email through Government Connect. A suggested proforma, which has been approved by Jobcentre Plus, is attached as Appendix A to this circular.

Do I need to make specific arrangements for getting information in respect of customers already working as of 1/5 April 2010?

- 10 Yes. You should find the cases where the HB/CTB customer is working and also claiming ESA(C), IB or SDA. You should then agree arrangements with your DWP nominated HB/CTB liaison officer for supplying you with the information. For example, you may want to adapt the proforma in Appendix A to provide a written list of **all** the potential claims or send requests by instalments.

What earnings disregard should be applied in HB/CTB?

- 11 You should award an earnings disregard to match the limit that applies in ESA(C), IB or SDA.

What will be the effective date?

- 12 Using the scenarios listed in paragraph 6 above, the effective date will be
- scenario (a), from the start of the claim
 - scenario (b), from the start of the benefit week following the date the customer starts work (*HB reg 79(1), HB(SPC) reg 59(1), CTB reg 67(1) and CTB(SPC) reg 50(1) refer.*)
 - scenario (c) -
 - 1 April 2010 for all CTB claims and HB for rent liabilities that are not weekly or multiples of a week
 - 5 April 2010 for HB for rent liabilities that are weekly or multiples of a week
 - Scenario (d), from the start of the benefit week following the date the customer's earnings from permitted work increase (*HB reg 79(1), HB(SPC) reg 59(1), CTB reg 67(1) and CTB(SPC) reg 50(1) refer.*)

What will be the effective date for ending the £93 disregard when it is time limited?

- 13 When the £93 disregard is time limited, the effective date for ending that disregard will be from the start of the benefit week following the date the £93 limit ends in ESA(C), IB or SDA. (*HB reg 79(1), HB(SPC) reg 59(1), CTB reg 67(1) and CTB(SPC) reg 50(1) refer.*)

What should I do if a customer who has a £20 a week disregard of earnings from permitted work starts to earn more?

- 14 You should ask Jobcentre Plus whether all the earnings are from permitted work and whether the £93 limit applies. If all the earnings are from permitted work, the £93 limit in ESA(C), IB or SDA will apply and the HB/CTB disregard will be £93.

- 15 If the customer is still doing some permitted work and still has a limit of £20, you should continue to apply the £20 permitted work disregard and take the balance of earnings into account as income. If the customer has stopped doing any permitted work you should end the permitted work disregard and apply whichever earnings disregard would apply.
- 16 See circular HB/CTB A24/2009 for the details of what disregards to apply when a customer is doing some permitted work and some other work.

What should I do if a customer who has a £93 a week disregard of earnings from permitted work starts to earn more?

- 17 As set out in circular HB/CTB A24/2009, paragraph 16, if a customer exceeds their permitted work hourly and/or monetary limit ESA/IB/SDA will end. You should deal with cessation of ESA(C), IB or SDA as a change of circumstances.

What disregard should I apply if Jobcentre Plus has no details of earnings?

- 18 If Jobcentre Plus is not aware that the customer is working you should apply the earnings disregard that would apply to that customer on the basis they are not doing permitted work.
- 19 You should advise the customer to contact Jobcentre Plus to tell them about the work.

Will Jobcentre Plus staff be advised of the changes to the HB/CTB earnings disregards?

- 20 Yes. Guidance will be issued to all relevant Jobcentre Plus staff. They have also been provided with a copy of this circular. Therefore, they will be aware of the information you will need and that they must supply it.

How many HB/CTB customers will be doing permitted work?

- 21 The number of customers affected is expected to be low. As set out in circular HB/CTB A24/2009, we estimate that in 2010/11 for HB there will be around 1,300 gainers and for CTB 3,200. Some customers will be entitled to HB and CTB therefore the figures cannot be added to arrive at a total.

Housing Benefit and Council Tax Benefit request for information regarding permitted work

To
(Jobcentre Plus address)

From
(Local authority address)

Nino

Surname

Other names

Address

With regard to the above would you please let me know the following:

Is the customer doing permitted work?	Yes	No
If so are all the earnings from permitted work?	Yes	No
If some/all of the earnings are from permitted work which limit applies?	£20.00	£93.00
From what date does the limit apply?	/	/
If £93.00, is it time limited?	Yes	No
If the £93.00 is time limited, what date does this limit end?	/	/

To be completed by Jobcentre Plus

Name

Signature

Phone

Date / /