

HB/CTB S5/2009

SUBSIDY CIRCULAR

WHO SHOULD READ	Directors of Finance and Heads of Revenues and Finance. Housing Benefit and Council Tax Benefit managers and staff. Fraud managers and staff. Officers preparing subsidy claims and estimates
ACTION	For information – To be brought to the attention of Section 151 Officers
SUBJECT	Delayed announcement of HB/CTB Administration Subsidy arrangements for 2010/11

Guidance Manual

The information in this circular does not affect the content of the HB/CTB Guidance Manual.

Queries

If you

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Delayed announcement of HB/CTB Administration Subsidy arrangements for 2010/11

Background

- 1 We are writing to inform all the Local Authorities (LAs) that at a recent meeting between DWP and Local Authority Association representatives to discuss the main allocation of administration subsidy for 2010/11 and the additional funding available due to the impact of the economic downturn, a decision was made to delay the distribution of this funding until November 2009.
- 2 This decision was made due to limited data being available from the recent Single Housing Benefit Extract (SHBE) release which has replaced the HBMS caseload data used to inform the subsidy distribution. By delaying the calculation until November, it will be possible to include the most up to date data between June and August 2009 in order to best reflect the impact of the economic downturn on individual LAs' caseloads. This data will then be used as the basis for any discussions between DWP and representatives of the Local Authority Associations before agreeing the final distribution.

Notification of 2010/11 distribution

- 3 This delay does mean that DWP will not be in a position to confirm or publish the allocations of the Administration Subsidy until early December. We realise that this is not ideal for authorities' planning for the forthcoming financial year. The decision to delay the calculation was not taken lightly, however it will ensure a more equitable funding distribution for all LAs.

Completion of SHBE returns

- 4 It is important that LAs ensure that complete SHBE data is sent in monthly so that the most up to date caseload information can be used to calculate the correct amount of subsidy paid to all authorities.