STATUTORY INSTRUMENTS

2015 No. 1784

SOCIAL SECURITY

The Income-related Benefits (Subsidy to Authorities) Amendment Order 2015

Made - - - -	*12th October 2015*
Laid before Parliament	*19th October 2015*
Coming into force - -	*9th November 2015*

The Secretary of State for Work and Pensions makes the following Order in exercise of the powers conferred by sections 140B(1), (3), (4) and (4A), 140F(2) and 189(1), (4), (5) and (7) of the Social Security Administration Act 1992(**a**).

In accordance with section 189(8) of that Act(**b**), the Secretary of State has obtained the consent of the Treasury.

In accordance with section 176(1) of that Act(**c**), the Secretary of State has consulted with organisations appearing to the Secretary of State to be representative of the authorities concerned.

Citation, commencement and interpretation

1.—(1) This Order may be cited as the Income-related Benefits (Subsidy to Authorities) Amendment Order 2015 and comes into force on 9th November 2015.

(2) Article 2(4) and Schedule 1 have effect for the purpose of determining subsidy payable for the relevant year beginning with 1st April 2014.

(3) Article 2(2) and (3) and article 3 have effect for the purpose of determining subsidy payable for—

(**a**) 1992 c.5. Sections 140B and 140F were inserted by paragraph 4 of Schedule 12 to the Housing Act 1996 (c.52). Section 140B was amended by section 10 of, and paragraph 7 of Schedule 1 to, the Social Security Administration (Fraud) Act 1997 (c.47) ("the Fraud Act"). Sections 140B and 140F were repealed, to the extent they related to council tax benefit, by section 147 of, and paragraph 1 of Schedule 14 to, the Welfare Reform Act 2012 (c.5) with effect from 1st April 2013 and subject to savings and transitional provisions in articles 9 and 10 of S.I. 2013/358. Section 189(1) and (4) was amended by paragraph 109 of Schedule 7 to the Social Security Act 1998 (c.14). Section 189(1) was amended by paragraph 57(2) of Schedule 3 to the Social Security Contributions (Transfer of Functions, etc.) Act 1999 (c.2) ("the Transfer of Functions Act") and paragraph 1 of Schedule 6 to the Tax Credits Act 2002 (c.21). Section 189(4) was amended by S.I. 2013/252. Section 189(7) was amended by paragraph 24 of Schedule 9 to the Local Government Finance Act 1992 (c.14) and paragraph 10 of Schedule 1 to the Fraud Act. Section 189 was repealed, to the extent it related to council tax benefit, by section 147 of, and paragraph 1 of Schedule 14 to, the Welfare Reform Act 2012 with effect from 1st April 2013 and subject to savings and transitional provisions in articles 9 and 10 of S.I. 2013/358.

(**b**) Section 189(8) was amended by paragraph 3(5) of Schedule 13 to the Housing Act 1996, paragraph 10 of Schedule 4 to the Social Security (Recovery of Benefits) Act 1997 (c.27), paragraph 3 of Schedule 4 to the Tax Credits Act 2002 (c.21), paragraph 29 of Schedule 1 to the Pensions Act 2007 (c.22) and paragraph 57(3) of Schedule 3 to the Transfer of Functions Act.

(**c**) Section 176(1)(b) was amended by paragraph 3(4) of Schedule 13 to the Housing Act 1996 and was repealed, to the extent it related to council tax benefit, by section 147 of, and paragraph 1 of Schedule 14 to, the Welfare Reform Act 2012 with effect from 1st April 2013 and subject to savings and transitional provisions in articles 9 and 10 of S.I. 2013/358.

(a) the relevant year beginning with 1st April 2014; and

(b) any subsequent relevant year.

(4) Article 4 and Schedules 3 and 4 have effect for the purpose of determining subsidy payable for the relevant year beginning with 1st April 2015.

(5) In this Order—

(a) the "1998 Order" means the Income-related Benefits (Subsidy to Authorities) Order 1998(**a**);

(b) "relevant year" means the period of a year beginning with 1st April in any calendar year, in respect of which a claim for subsidy is made.

The amount of an authority's subsidy

2.—(1) The 1998 Order is amended as follows.

(2) In article 12 (amount of subsidy)—

(a) for paragraph (1)(**b**), substitute—

"(1) Subject to paragraph (2), the amount of an authority's subsidy for the relevant year is the sum of the following—

(a) the amount of subsidy calculated in accordance with article 13;

(b) for an authority identified in column (1) of Schedule 1 (sums to be used in the calculation of subsidy), the amount in respect of the costs of administering the relevant benefit specified in column (2) of that Schedule for that authority;

(c) for an authority which is a participating authority for the purpose of Schedule 1A (additional amount of subsidy: activities to reduce fraud and error), the additional amount (if any) calculated in accordance with that Schedule; and

(d) for an authority which has modified any part of a scheme it administers in recognition of the operation of a local scheme under section 134(8) of the Act (arrangements for housing benefit), the additional amount calculated in accordance with paragraph (4).";

(b) in paragraph (4)(**c**), for "(1)(c)" substitute "(1)(d)".

(3) In article 13(1) (relevant benefit)(**d**), for the words from "Subject to" to "paid to an authority" substitute "The amount of subsidy payable under article 12(1)(a)".

(4) For Schedule 1 (sums to be used in the calculation of subsidy)(**e**), substitute the Schedule 1 set out in Schedule 1 to this Order.

(5) After Schedule 1 (sums to be used in the calculation of subsidy), insert the Schedule 1A set out in Schedule 2 to this Order.

Additions to an authority's subsidy

3.—(1) The 1998 Order is amended as follows.

(2) In article 18 (additions to subsidy), after paragraph (6ZA)(**f**) insert—

"(6ZB) For the purposes of paragraphs (1)(e) and (2), an "authority error overpayment" or an "administrative delay overpayment" does not include an overpayment of a kind to which paragraphs (6ZC) or (6ZD) apply.

(6ZC) This paragraph applies to an overpayment where—

(**a**) S.I 1998/562.
(**b**) Paragraph (1) of article 12 was amended by S.I. 2000/2340 and 2006/54.
(**c**) Paragraph (4) of article 12 was inserted by S.I. 2006/54.
(**d**) Paragraph (1) of article 13 was substituted by S.I. 2000/1091.
(**e**) Schedule 1 was substituted by S.I. 2014/1667.
(**f**) Paragraph (6ZA) of article 18 was inserted by S.I. 2010/2481.

(a) an authority receives real time information in respect of the overpayment which indicates that the overpayment was caused by the incorrect declaration of PAYE employment income or PAYE pension income by the claimant; and

(b) the authority—

(i) has sufficient real time information to make a revision or supersession decision on the claimant's award; and

(ii) makes a revision or supersession decision during the period of 4 weeks beginning with the date on which the authority received the real time information.

(6ZD) This paragraph applies to an overpayment where—

(a) an authority receives real time information in respect of the overpayment which indicates that the overpayment was caused by the incorrect declaration of PAYE employment income or PAYE pension income by the claimant;

(b) the authority has insufficient real time information to make a revision or supersession decision;

(c) the authority requests further information from the claimant; and

(d) the authority makes a revision or supersession decision either—

(i) if the additional information is provided during the period of 4 weeks beginning with the date on which the authority received the real time information ("the 4 week period"), by the end of that 4 week period; or

(ii) if the additional information is provided after the 4 week period has ended, by the Monday following the date on which the additional information is received.

(6ZE) For the purposes of paragraphs (6ZC) and (6ZD)—

"PAYE employment income" has the meaning in section 683(2) of the Income Tax (Earnings and Pensions) Act 2003(**a**);

"PAYE pension income" has the meaning in section 683(3) of the Income Tax (Earnings and Pensions) Act 2003;

"real time information" means information which is reported by a Real Time Information employer or Real Time Information pension payer in respect of the PAYE employment income or PAYE pension income of its employees;

"Real Time Information employer" has the meaning in regulation 2A(1) of the Income Tax (Pay As You Earn) Regulations 2003(**b**);

"Real Time Information pension payer" has the meaning in regulation 2B(1) of the Income Tax (Pay As You Earn) Regulations 2003(**c**).".

Rent rebate deductions from an authority's subsidy

4.—(1) The 1998 Order is amended as follows.

(2) In Schedule 4A (rent rebate limitation deductions (Housing Revenue Account Dwellings))(**d**)—

(a) in Part 2 (England), in paragraph 3 (amount of deduction), for sub-paragraph (3)(**e**) substitute—

"(3) The rebate proportion for 2015-16 is 0.746.".

(**a**) 2003 c.1.
(**b**) S.I. 2003/2682. Regulation 2A(1) was inserted by S.I. 2012/822 and amended by S.I. 2013/521.
(**c**) S.I. 2003/2682. Regulation 2B(1) was inserted by S.I. 2012/822 and amended by S.I. 2013/521.
(**d**) Schedule 4A was inserted by S.I. 2004/646.
(**e**) In Part 2 of Schedule 4A, paragraph 3(3) was substituted by S.I. 2010/2481.

(b) for Part 3 (weekly rent limits for purposes of Part 2: authorities in England)(**a**), substitute the Part 3 set out in Schedule 3 to this Order.

(c) for Part 5 (amounts for purposes of Part 4, paragraph 4: authorities in Wales)(**b**), substitute the Part 5 set out in Schedule 4 to this Order.

Amendments consequential to the abolition of community charge benefit

5.—(1) The 1998 Order is amended as follows.

(2) In article 11 (interpretation of Part 3)—

(a) omit the definition of "the Community Charge Benefits Regulations";

(b) in the definition of "Overpayment", omit "excess benefits under the Community Charge Benefits Regulations and".

(3) In article 18 (additions to subsidy)—

(a) in paragraph (1)(b)(**c**), omit "community charge benefit or";

(b) in paragraph (1)(b)(ii), omit "community charge benefit or";

(c) in paragraph (8)(**d**)—

(i) omit "community charge benefit or";

(ii) after "regulation 69 of the Council Tax Benefit Regulations", for "of" substitute "or";

(iii) omit "or paragraph (18) of regulation 60 of the Community Charge Benefits Regulations (time and manner in which claims are to be made)".

(4) In paragraph (1)(g)(ii)(**e**) of article 19 (deductions to be made in calculating subsidy)—

(a) omit "paragraph (7) of article 2 of the Community Charge Benefits (Transitional) Order 1989,";

(b) omit "paragraph (18) of regulation 60 of the Community Charge Benefits Regulations,".

(5) In article 20 (deduction from subsidy), omit "or community charge benefit".

Signed by authority of the Secretary of State for Work and Pensions

Freud
Minister of State,
12th October 2015 Department for Work and Pensions

We consent

Charlie Elphicke
Mel Stride
12th October 2015 Two of the Lords Commissioners of Her Majesty's Treasury

(**a**) Part 3 of Schedule 4A was substituted by S.I. 2014/1667.
(**b**) Part 5 of Schedule 4A was substituted by S.I. 2014/1667.
(**c**) Paragraph 1(b) of article 18 was substituted by S.I. 2000/1091 and amended by S.I. 2003/3179 and 2006/54.
(**d**) Paragraph 8 of article 18 was amended by S.I. 2000/1091 and 2006/217.
(**e**) Paragraph 1(g)(ii) of article 19 was amended by S.I. 2006/217.

SCHEDULE 1

Article 2(4)

Schedule to be substituted for Schedule 1 to the 1998 Order

"SCHEDULE 1

Article 12(1)(b)

Sums to be used in the calculation of subsidy

Relevant Year 2014-2015

Local authority	*Administration subsidy(£)*
England	
Adur	284,754
Allerdale	501,177
Amber Valley	583,185
Arun	779,941
Ashfield	643,947
Ashford	571,726
Aylesbury Vale	702,012
Babergh	345,186
Barking & Dagenham	1,636,923
Barnet	2,473,067
Barnsley	1,532,037
Barrow in Furness	389,038
Basildon	1,044,461
Basingstoke and Deane	776,222
Bassetlaw	595,256
Bath & North East Somerset	814,756
Bedford	948,233
Bexley	1,215,949
Birmingham	8,508,760
Blaby	298,130
Blackburn with Darwen	968,286
Blackpool	1,475,926
Bolsover	415,646
Bolton	1,959,127
Boston	416,763
Bournemouth	1,336,748
Bracknell Forest	530,251
Bradford	3,511,436
Braintree	720,774
Breckland	1,041,397
Brent	3,214,671
Brentwood	258,757
Brighton and Hove	2,140,528
Bristol	3,070,735
Broadland	398,912
Bromley	1,538,678
Bromsgrove	297,939
Broxbourne	524,955

Broxtowe	446,491
Burnley	720,514
Bury	1,042,153
Calderdale	1,332,370
Cambridge	1,321,053
Camden	2,261,136
Cannock Chase	529,674
Canterbury	649,399
Carlisle	565,516
Castle Point	389,291
Central Bedfordshire	983,617
Charnwood	637,355
Chelmsford	667,870
Cheltenham	568,254
Cherwell	625,784
Cheshire East	1,551,528
Cheshire West and Chester	1,616,730
Chesterfield	655,552
Chichester	500,992
Chiltern	302,414
Chorley	475,240
Christchurch	224,928
City of London	112,419
Colchester	837,311
Copeland	391,193
Corby	515,844
Cornwall	3,032,868
Cotswold	345,877
Coventry	2,264,153
Craven	203,537
Crawley	699,202
Croydon	2,856,446
Dacorum	697,851
Darlington	680,173
Dartford	444,100
Daventry	301,410
Derby	1,462,960
Derbyshire Dales	245,188
Doncaster	2,042,503
Dover	648,897
Dudley	1,735,011
Durham	3,516,220
Ealing	2,767,856
East Cambridgeshire	347,152
East Devon	533,625
East Dorset	304,494
East Hampshire	409,887
East Hertfordshire	525,027
East Lindsey	996,541
East Northamptonshire	355,272
East Riding of Yorkshire	1,511,223
East Staffordshire	541,138
Eastbourne	718,346

Eastleigh	481,390
Eden	190,446
Elmbridge	476,105
Enfield	3,321,185
Epping Forest	500,782
Epsom and Ewell	267,945
Erewash	571,126
Exeter	677,111
Fareham	342,647
Fenland	575,531
Forest Heath	304,537
Forest of Dean	408,486
Fylde	342,842
Gateshead	1,403,742
Gedling	543,699
Gloucester	785,600
Gosport	547,595
Gravesham	557,965
Great Yarmouth	746,627
Greenwich	2,539,289
Guildford	545,022
Hackney	3,653,507
Halton	971,467
Hambleton	340,685
Hammersmith and Fulham	1,773,438
Harborough	231,518
Haringey	2,822,038
Harlow	599,193
Harrogate	568,878
Harrow	1,610,470
Hart	219,116
Hartlepool	857,534
Hastings	874,817
Havant	617,527
Havering	1,103,182
Herefordshire	854,590
Hertsmere	547,490
High Peak	445,053
Hillingdon	1,946,913
Hinckley and Bosworth	442,614
Horsham	424,177
Hounslow	1,808,918
Huntingdonshire	706,549
Hyndburn	602,613
Ipswich	874,953
Isle of Wight	913,466
Isles of Scilly	4,002
Islington	2,592,394
Kensington and Chelsea	1,569,112
Kettering	472,076
King’s Lynn & West Norfolk	757,300
Kingston upon Hull	2,304,697
Kingston upon Thames	784,272

Kirklees	2,293,383
Knowsley	1,370,013
Lambeth	3,682,708
Lancaster	693,234
Leeds	4,816,618
Leicester	2,370,233
Lewes	447,980
Lewisham	3,619,951
Lichfield	358,575
Lincoln	678,659
Liverpool	5,142,181
Luton	1,252,478
Maidstone	671,778
Maldon	244,052
Malvern Hills	322,604
Manchester	5,059,228
Mansfield	630,780
Medway	1,583,173
Melton	183,679
Mendip	547,570
Merton	1,191,601
Mid Devon	339,385
Mid Suffolk	289,407
Mid Sussex	435,328
Middlesbrough	1,358,751
Milton Keynes	1,683,413
Mole Valley	302,144
New Forest	649,460
Newark and Sherwood	486,569
Newcastle under Lyme	600,250
Newcastle upon Tyne	2,241,200
Newham	2,820,834
North Devon	528,165
North Dorset	266,754
North East Derbyshire	421,289
North East Lincolnshire	1,229,616
North Hertfordshire	652,247
North Kesteven	389,523
North Lincolnshire	978,702
North Norfolk	502,439
North Somerset	1,131,450
North Tyneside	1,309,039
North Warwickshire	268,156
North West Leicestershire	376,977
Northampton	1,237,889
Northumberland	1,733,828
Norwich	1,140,295
Nottingham	2,716,639
Nuneaton and Bedworth	672,465
Oadby and Wigston	186,662
Oldham	1,591,694
Oxford	866,931
Pendle	686,031

Peterborough	1,410,857
Plymouth	1,871,444
Poole	675,314
Portsmouth	1,610,753
Preston	891,223
Purbeck	198,750
Reading	1,072,266
Redbridge	1,469,399
Redcar and Cleveland	1,024,148
Redditch	442,083
Reigate and Banstead	559,459
Ribble Valley	171,545
Richmond upon Thames	833,212
Richmondshire	179,454
Rochdale	1,625,820
Rochford	284,210
Rossendale	390,540
Rother	450,948
Rotherham	1,560,314
Rugby	462,361
Runnymede	333,932
Rushcliffe	336,256
Rushmoor	537,580
Rutland	121,121
Ryedale	230,158
Salford	2,185,282
Sandwell	2,401,630
Scarborough	778,061
Sedgemoor	761,108
Sefton	1,767,590
Selby	312,927
Sevenoaks	431,312
Sheffield	3,303,293
Shepway	649,204
Shropshire	1,314,715
Slough	1,025,162
Solihull	878,035
South Bucks	225,930
South Cambridgeshire	417,407
South Derbyshire	314,371
South Gloucestershire	1,139,200
South Hams	373,595
South Holland	396,146
South Kesteven	578,537
South Lakeland	353,891
South Norfolk	480,960
South Northamptonshire	239,409
South Oxfordshire	431,521
South Ribble	439,749
South Somerset	799,943
South Staffordshire	392,342
South Tyneside	1,189,042
Southampton	1,740,509

Southend on Sea	1,228,568
Southwark	3,393,874
Spelthorne	400,657
St Albans	438,737
St Edmundsbury	468,715
St Helens	1,271,078
Stafford	499,237
Staffordshire Moorlands	346,535
Stevenage	520,529
Stockport	1,349,722
Stockton on Tees	1,313,851
Stoke on Trent	1,736,182
Stratford on Avon	462,107
Stroud	412,415
Suffolk Coastal	457,172
Sunderland	2,321,230
Surrey Heath	279,347
Sutton	1,064,597
Swale	797,204
Swindon	1,094,024
Tameside	1,662,183
Tamworth	362,616
Tandridge	294,770
Taunton Deane	563,703
Teignbridge	630,956
Telford and Wrekin	1,155,166
Tendring	962,953
Test Valley	472,871
Tewkesbury	336,178
Thanet	1,187,246
Three Rivers	366,779
Thurrock	901,153
Tonbridge and Malling	498,407
Torbay	1,137,906
Torridge	346,342
Tower Hamlets	3,881,970
Trafford	1,120,495
Tunbridge Wells	484,158
Uttlesford	233,691
Vale of White Horse	436,295
Wakefield	2,385,884
Walsall	2,137,228
Waltham Forest	2,179,682
Wandsworth	2,447,476
Warrington	1,106,189
Warwick	500,996
Watford	558,973
Waveney	697,149
Waverley	399,571
Wealden	490,517
Wellingborough	454,598
Welwyn Hatfield	600,855
West Berkshire	627,091

West Devon	248,374
West Dorset	434,912
West Lancashire	526,857
West Lindsey	458,111
West Oxfordshire	400,185
West Somerset	223,522
Westminster	2,421,284
Weymouth and Portland	455,164
Wigan	1,902,188
Wiltshire	2,018,760
Winchester	399,358
Windsor and Maidenhead	519,042
Wirral	2,234,386
Woking	398,109
Wokingham	349,850
Wolverhampton	1,977,115
Worcester	569,566
Worthing	549,408
Wychavon	466,328
Wycombe	724,691
Wyre	623,117
Wyre Forest	561,741
York	857,005

Wales

Blaenau Gwent	589,022
Bridgend	841,844
Caerphilly	1,045,589
Cardiff	2,110,111
Carmarthenshire	929,120
Ceredigion	356,359
Comhairle nan Eilean Siar	164,602
Conwy	659,748
Denbighshire	568,170
Flintshire	719,672
Gwynedd	653,200
Isle of Anglesey	376,828
Merthyr Tydfil	436,505
Monmouthshire	374,298
Neath Port Talbot	949,055
Newport	1,000,697
Orkney	104,606
Pembrokeshire	610,934
Powys	598,917
Rhondda Cynon Taf	1,493,363
Shetland	83,170
Swansea	1,442,129
Torfaen	662,896
Vale of Glamorgan	634,724
Wrexham	722,474

Scotland

Aberdeen	994,590
Aberdeenshire	898,607
Angus	617,253
Argyll and Bute	505,935
Clackmannanshire	340,673
Dumfries and Galloway	967,125
Dundee	1,284,890
East Ayrshire	879,320
East Dunbartonshire	374,426
East Lothian	542,696
East Renfrewshire	264,620
Edinburgh	2,843,243
Falkirk	908,441
Fife	2,153,895
Glasgow	6,200,858
Highland	1,193,433
Inverclyde	686,325
Midlothian	488,876
Moray	396,407
North Ayrshire	1,073,196
North Lanarkshire	2,258,213
Perth and Kinross	694,556
Renfrewshire	1,216,850
Scottish Borders	662,940
South Ayrshire	691,064
South Lanarkshire	1,807,810
Stirling	382,704
West Dunbartonshire	870,085
West Lothian	1,081,340.”

SCHEDULE 2

Article 2(5)

Schedule to be inserted after Schedule 1 to the 1998 Order

“SCHEDULE 1A

Article 12(1)(c)

Additional amount of subsidy: Activities to reduce fraud and error

Interpretation

1.—(1) In this Schedule—

“FERIS” means the Fraud and Error Reduction Incentive Scheme in the administration of housing benefit described in the Housing Benefit Circular HB A17/2014(**a**);

“participating authority” means an authority which notified the Secretary of State on or before 30th January 2015 that it is participating in FERIS;

(**a**) https://www.gov.uk/government/collections/housing-benefit-for-local authorities-circulars-2014.

"performance", in relation to a period, means the amount by which payments of housing benefit by the participating authority are reduced in that period as a result of relevant activities;

"relevant activities" means activities carried out by a participating authority in order to reduce fraud and error in payments of housing benefit.

(2) A reference in this Schedule to the "administration subsidy" for a participating authority for a relevant year is—

(a) in relation to the relevant year beginning on 1st April 2014, a reference to the amount specified in relation to that authority in—

(i) the Annex to HB Subsidy Circular S8/2013 for authorities in Wales (**a**);

(ii) the Annex to HB Subsidy Circular S9/2013 for authorities in England (**b**);

(iii) the Annex to HB Subsidy Circular S10/2013 for authorities in Scotland (**c**);

(b) in relation to the relevant year beginning on 1st April 2015, a reference to the amount specified in relation to that authority in—

(i) the Annex to HB Subsidy Circular S6/2014 for authorities in Scotland (**d**);

(ii) the Annex to HB Subsidy Circular S7/2014 for authorities in Wales (**e**);

(iii) the Annex to HB Subsidy Circular S8/2014 for authorities in England (**f**).

Additional amount: relevant year beginning with 1st April 2014

2.—(1) This paragraph has effect for the purpose of determining the additional amount of subsidy payable under article 12(1)(c) for the relevant year beginning with 1st April 2014.

(2) If the performance of the participating authority in the performance period—

(a) does not exceed the baseline performance of the authority in that period; or

(b) exceeds the baseline performance of the authority in that period by less than 8 per cent.,

there is no additional amount.

(3) Otherwise, the additional amount is determined as follows.

Step 1

Calculate the percentage ("the out-performance percentage") by which the performance of the authority exceeds its baseline performance in the performance period.

Step 2

Look up the percentage ("the additional amount percentage") specified in column (2) of the following Table in the row applicable to the authority's out-performance percentage.

Step 3

Multiply the additional amount percentage by the administration subsidy for the authority for the relevant year.

Table

(**a**) https://www.gov.uk/government/publications/hb-subsidy-circular-s82013-housing-benefit-subsidy-arrangements-2014-to-2015-for-welsh-authorities.

(**b**) https://www.gov.uk/government/publications/hb-subsidy-circular-s92013-revised-administration-subsidy-arrangements-for-english-local-authorities-201415.

(**c**) https://www.gov.uk/government/publications/hb-subsidy-circular-s102013-administration-costs-for-scottish-authorities-201415.

(**d**) https://www.gov.uk/government/publications/hb-subsidy-circular-s62014-housing-benefit-administration-subsidy-arrangements-for-scottish-local-authorities-apr-2015-to-mar-2016.

(**e**) https://www.gov.uk/government/publications/hb-subsidy-circular-s72014-housing-benefit-administration-subsidy-arrangements-for-welsh-local-authorities-apr-2015-to-mar-2016.

(**f**) https://www.gov.uk/government/publications/hb-subsidy-circular-s82014-housing-benefit-administration-subsidy-arrangements-for-english-local-authorities-apr-2015-to-mar-2016.

Out performance percentage (1)	*Additional amount percentage (2)*
at least 8 per cent. but less than 10 per cent.	1.75 per cent.
at least 10 per cent. but less than 12 per cent.	2.1 per cent.
at least 12 per cent. but less than 14 per cent.	2.45 per cent.
at least 14 per cent. but less than 16 per cent.	2.8 per cent.
at least 16 per cent. but less than 18 per cent.	3.15 per cent.
at least 18 per cent.	3.5 per cent.

(4) In this paragraph, "performance period" means the period beginning with 1st December 2014 and ending with 31st March 2015.

(5) References in this paragraph to "the baseline performance" of the authority in the performance period are to the higher of the following amounts—

(a) the amount by which, in the Secretary of State's opinion, the total payments of housing benefit made by the authority in the period beginning with 1st December 2013 and ending with 31st March 2014 were reduced as a result of relevant activities;

(b) the average of—

(i) the amount specified in paragraph (a); and

(ii) the amount by which, in the Secretary of State's opinion, the total payments of housing benefit made by the authority in the period beginning with 1st December 2012 and ending with 31st March 2013 were reduced as a result of relevant activities.

Additional amount: relevant year beginning with 1st April 2015

3.—(1) This paragraph and paragraph 4 have effect for the purpose of determining the additional amount of subsidy payable under article 12(1)(c) for the relevant year beginning with 1st April 2015.

(2) The additional amount is determined as follows—

Step 1

Calculate the percentage ("the out-performance percentage"), if any, by which the performance of the authority exceeds its baseline performance in the performance period beginning with 1st April 2015.

Step 2

Look up the percentage ("the additional amount percentage") specified in column (2) of the following Table in the row applicable to the authority's out-performance percentage.

Step 3

Multiply the additional amount percentage by the enhanced administration subsidy.

Step 4

Repeat Steps 1 to 3 for each of the other performance periods.

Step 5

Add the amounts determined for each performance period under Step 3.

Step 6

Add the amount, if any, determined under paragraph 4.

Table

Out-performance percentage (1)	*Additional amount percentage (2)*
less than 10 per cent.	0 per cent.
at least 10 per cent. but less than 12 per cent.	1.25 per cent.
at least 12 per cent. but less than 14 per cent.	1.5 per cent.
at least 14 per cent. but less than 16 per cent.	1.75 per cent.
at least 16 per cent. but less than 18 per cent.	2 per cent.
at least 18 per cent. but less than 20 per cent.	2.25 per cent.
at least 20 per cent.	2.5 per cent.

(3) In this paragraph, "performance period" means the period of 3 months beginning with 1st April 2015, 1st July 2015, 1st October 2015 or 1st January 2016.

(4) In sub-paragraph (2), "enhanced administration subsidy" means 110 per cent. of the administration subsidy for the authority for the relevant year.

(5) References in this paragraph to "the baseline performance" of the authority in a performance period are to the amount determined in accordance with sub-paragraphs (6) to (9).

(6) For the performance period beginning with 1st April 2015 the baseline performance is the higher of the following amounts—

(a) the amount by which, in the Secretary of State's opinion, the total payments of housing benefit made by the authority in the period of 3 months beginning with 1st April 2014 were reduced as a result of relevant activities;

(b) the average of—

(i) the amount specified in paragraph (a); and

(ii) the amount by which, in the Secretary of State's opinion, the total payments of housing benefit made by the authority in the period of 3 months beginning with 1st April 2013 were reduced as a result of relevant activities.

(7) For the performance period beginning with 1st July 2015 the baseline performance is the higher of the following amounts—

(a) the amount by which, in the Secretary of State's opinion, the total payments of housing benefit made by the authority in the period of 3 months beginning with 1st July 2014 were reduced as a result of relevant activities;

(b) the average of—

(i) the amount specified in paragraph (a); and

(ii) the amount by which, in the Secretary of State's opinion, the total payments of housing benefit made by the authority in the period of 3 months beginning with 1st July 2013 were reduced as a result of relevant activities.

(8) For the performance period beginning with 1st October 2015 the baseline performance is the higher of the following amounts—

(a) the amount by which, in the Secretary of State's opinion, the total payments of housing benefit made by the authority in the period of 3 months beginning with 1st October 2013 were reduced as a result of relevant activities;

(b) the average of—

(i) the amount specified in paragraph (a); and

(ii) the amount by which, in the Secretary of State's opinion, the total payments of housing benefit made by the authority in the period of 3 months beginning with 1st October 2012 were reduced as a result of relevant activities.

(9) For the performance period beginning with 1st January 2016 the baseline performance is the higher of the following amounts—

(a) the amount by which, in the Secretary of State's opinion, the total payments of housing benefit made by the authority in the period of 3 months beginning with 1st January 2014 were reduced as a result of relevant activities;

(b) the average of—

(i) the amount specified in paragraph (a); and

(ii) the amount by which, in the Secretary of State's opinion, the total payments of housing benefit made by the authority in the period of 3 months beginning with 1st January 2013 were reduced as a result of relevant activities.

Additional amount: relevant year beginning with 1st April 2015: supplementary

4.—(1) If the performance of the participating authority in the extended performance period does not exceed the baseline performance of the authority in that period, the amount determined under this paragraph is nil.

(2) Otherwise, the amount under this paragraph is determined as follows—

Step 1

Calculate the percentage ("the out-performance percentage") by which the performance of the authority exceeds its baseline performance in the extended performance period.

Step 2

Look up the calculation specified in column (2) of the following Table in the row applicable to the authority's out-performance percentage and perform the calculation.

Step 3

Subtract from the amount calculated under Step 2 the sum of the amounts payable to the authority by virtue of—

(a) paragraph 2; and

(b) paragraph 3, disregarding any amount determined under this paragraph.

Table

Out-performance percentage (1)	*Calculation (2)*
less than 2 per cent.	the sum of 1.75 per cent. of the 2014/15 administration subsidy and 5 per cent. of the 2015/16 enhanced administration subsidy
at least 2 per cent. but less than 4 per cent.	the sum of 2.1 per cent. of the 2014/15 administration subsidy and 6 per cent. of the 2015/16 enhanced administration subsidy
at least 4 per cent. but less than 6 per cent.	the sum of 2.45 per cent. of the 2014/15 administration subsidy and 7 per cent. of the 2015/16 of the enhanced administration subsidy
at least 6 per cent. but less than 8 per cent.	the sum of 2.8 per cent. of the 2014/15 administration subsidy and 8 per cent. of the 2015/16 enhanced administration subsidy
at least 8 per cent. but less than 10 per cent.	the sum of 3.15 per cent. of the 2014/15 administration subsidy and 9 per cent. of the 2015/16 enhanced administration subsidy
at least 10 per cent.	the sum of 3.5 per cent. of the 2014/15 administration subsidy and 10 per cent. of the 2015/16 enhanced administration subsidy

(3) References in this paragraph to the "baseline performance" of the authority in the extended performance period are to the sum of—

(a) 108 per cent. of the baseline performance of the authority determined under paragraph 2(5);

(b) 110 per cent. of the baseline performance of the authority determined under paragraph 3(6);

(c) 110 per cent. of the baseline performance of the authority determined under paragraph 3(7);

(d) 110 per cent. of the baseline performance of the authority determined under paragraph 3(8); and

(e) 110 per cent. of the baseline performance of the authority determined under paragraph 3(9).

(4) In this paragraph—

"2014/15 administration subsidy" means the administration subsidy for the authority for the relevant year beginning with 1st April 2014;

"2015/16 enhanced administration subsidy" means 110 per cent. of the administration subsidy for the authority for the relevant year beginning with 1st April 2015;

"extended performance period" means the period beginning with 1st December 2014 and ending with 31st March 2016."

SCHEDULE 3

Article 4(b)

Part to be substituted for Part 3 of Schedule 4A to the 1998 Order

"PART 3

WEEKLY RENT LIMITS FOR PURPOSES OF PART 2: AUTHORITIES IN ENGLAND

RELEVANT YEAR 2015-2016

Authority	*Weekly rent limit (£)*
Adur	96.11
Arun	93.35
Ashfield	70.31
Ashford	91.47
Babergh	91.80
Barking & Dagenham	101.67
Barnet	118.30
Barnsley	76.97
Barrow	77.12
Basildon	89.52
Bassetlaw	74.46
Birmingham	85.11
Blackpool	73.10
Bolsover	84.21
Bournemouth	85.28
Brent	119.20
Brentwood	97.05
Brighton & Hove	86.74

Bristol	83.44
Broxtowe	76.34
Bury	78.90
Cambridge	105.62
Camden	124.21
Cannock Chase	75.58
Canterbury	90.97
Castle Point	91.10
Central Bedfordshire	104.71
Charnwood	76.56
Cheltenham	82.61
Cheshire West & Chester	84.83
Chesterfield	81.96
City of London	111.81
City of York	81.61
Colchester	89.95
Corby	81.13
Cornwall	72.94
Crawley	106.04
Croydon	109.11
Dacorum	111.70
Darlington	72.92
Dartford	92.05
Derby	80.82
Doncaster	75.26
Dover	86.71
Dudley	85.19
Durham	72.38
Ealing	105.47
East Devon	83.42
East Riding	81.37
Eastbourne	79.65
Enfield	104.23
Epping Forest	102.18
Exeter	77.41
Fareham	92.61
Gateshead	78.70
Gloucester City	80.07
Gosport	86.34
Gravesham	92.04
Great Yarmouth	77.12
Greenwich	105.93
Guildford	113.82
Hackney	102.62
Hammersmith	119.12
Haringey	108.58
Harlow	94.96
Harrogate	82.99
Harrow	116.96
Havering	99.27
High Peak	75.32
Hillingdon	111.71
Hinckley & Bosworth	80.55

Hounslow	105.77
Hull	77.22
Ipswich	87.84
Islington	122.41
Kensington	131.74
Kettering	84.03
Kingston upon Thames	115.33
Kirklees	71.87
Lambeth	111.49
Lancaster	79.50
Leeds	75.87
Leicester	74.27
Lewes	92.17
Lewisham	98.92
Lincoln	70.77
Luton	89.27
Manchester	75.10
Mansfield	75.30
Medway	84.29
Melton	79.18
Mid Devon	80.68
Mid Suffolk	84.49
Milton Keynes	88.18
North East Derbyshire	83.59
New Forest	102.26
Newark & Sherwood	80.49
Newcastle upon Tyne	77.45
Newham	99.46
North Kesteven	78.82
North Tyneside	78.72
North Warwickshire	91.02
Northampton	85.67
Northumberland	70.22
Norwich	81.72
Nottingham	77.20
Nuneaton & Bedworth	80.06
North West Leicestershire	81.14
Oadby & Wigston	81.66
Oldham	72.17
Oxford City	112.63
Poole	87.82
Portsmouth	87.33
Reading	107.52
Redbridge	105.85
Redditch	80.74
Richmondshire	79.81
Rotherham	78.12
Rugby	88.93
Runnymede	112.72
Salford	77.14
Sandwell	83.83
Sedgemoor	79.75
Selby	80.51

Sheffield	74.05
Shepway	86.46
Shropshire	84.16
Slough	109.05
Solihull	84.59
South Cambridgeshire	109.65
South Derbyshire	81.60
South Holland	77.98
South Kesteven	81.15
South Tyneside	77.22
Southampton	87.29
Southend-on-Sea	88.62
Southwark	111.00
St Albans	116.38
Stevenage	100.93
Stockport	77.05
Stoke-on-Trent	72.52
Stroud	84.84
Sutton	110.16
Swindon	85.38
Tamworth	82.56
Tandridge	101.26
Taunton Deane	84.87
Tendring	85.95
Thanet	83.39
Thurrock	88.37
Tower Hamlets	114.00
Uttlesford	102.48
Waltham Forest	105.26
Wandsworth	128.34
Warwick	96.72
Waveney	81.44
Waverley	116.95
Wealden	87.53
Welwyn Hatfield	110.99
West Lancashire	78.24
Westminster	128.49
Wigan	80.26
Wiltshire	90.39
Winchester	104.12
Woking	106.44
Wokingham	117.21
Wolverhampton	82.23.”

SCHEDULE 4

Article 4(c)

Part to be substituted for Part 5 of Schedule 4A to the 1998 Order

"PART 5

AMOUNTS FOR PURPOSES OF PART 4, PARAGRAPH 4: AUTHORITIES IN WALES

RELEVANT YEAR 2015-2016

Local authority	*(1) Specified amount "O"(£)*	*(2) Guideline rent increase "P" (£)*
Caerphilly	74.09	4.82
Cardiff	84.91	4.27
Carmarthenshire	74.55	3.97
Denbighshire	72.40	3.89
Flintshire	75.34	3.29
Isle of Anglesey	71.25	3.90
Pembrokeshire	76.31	3.78
Powys	76.31	4.04
Swansea	73.27	3.97
Vale of Glamorgan	81.95	4.26
Wrexham	74.52	4.01."

EXPLANATORY NOTE

(This note is not part of the Order)

This Order amends the Income-related Benefits (Subsidy to Authorities) Order 1998 (S.I. 1998/562) ("the 1998 Order") which provides for the calculation and payment of housing benefit subsidy to local authorities in England, Wales and Scotland who administer those benefits. Section 140F(2) of the Social Security Administration Act 1992 (c.5) authorises the making, revocation or varying of an Order before, during or after the year to which it relates.

Article 2(2) and (3) have effect for the purpose of determining subsidy payable for the year beginning with 1st April 2014 and any subsequent year beginning with 1st April. Article 2(2) substitutes article 12(1) of the 1998 Order with a new paragraph (1) which sets out how the amount of an authority's subsidy for the relevant year is to be calculated. In particular, it allows for additional payments of subsidy to be made in certain circumstances to local authorities who participate in the Fraud and Error Reduction Incentive Scheme ("FERIS"), as notified by the Secretary of State to local authorities on 24th November 2014. Article 2(3) makes a consequential change to article 13(1) of the 1998 Order.

Participating authorities are given funding to carry out activities with a view to reducing fraud and error in relation to the payment of housing benefit. The Secretary of State then sets a threshold for expected performance in reducing fraud and error in a specified period for each such authority based on the authority's performance in making such reductions in a previous equivalent period. Additional payments are then made to the authority, the amounts depending on the extent to which the authority exceeds the threshold for reducing housing benefit payments in each such period by virtue of those activities. Provision is also made for a further additional payment to be made to the authority based on performance in reducing housing benefit payments over the entire course of the scheme.

New Schedule 1A to the 1998 Order, which is inserted by article 2(5) and set out in Schedule 2 to this Order, sets out how the additional payments of subsidy in respect of FERIS are to be calculated.

Hard copies of the circulars explaining FERIS and the amounts of the administration subsidy on which payments are based are available from the Department for Work and Pensions, Caxton House, Tothill Street, London SW1H 9NA.

Article 2(4) sets out new figures to be used in the calculation of subsidy payable to an authority for the year beginning with 1st April 2014 by substituting Schedule 1 to the 1998 Order with Schedule 1 to this Order.

Article 3 has effect for the purpose of determining subsidy payable for the year beginning with 1st April 2014 and any subsequent year beginning with 1st April. It inserts new paragraphs (6ZB), (6ZC) and (6ZD) into article 18 of the 1998 Order which provide that where a local authority receives real time information in respect of an overpayment and makes a revision or supersession decision within 4 weeks (subject to extension where further information is required), that overpayment will not be treated as an authority error overpayment or administrative delay overpayment for the purposes of calculating additional amounts of subsidy payable to an authority.

Article 4 has effect for the purpose of determining subsidy payable for the year beginning with 1st April 2015. Article 4(2)(a) amends paragraph 3 of Schedule 4A to provide that the rebate proportion figure for 2015/2016 is 0.746. Article 4(2)(b) substitutes Part 3 of Schedule 4A to the 1998 Order in respect of weekly rent limits for authorities in England. With respect to authorities in Wales, article 4(2)(c) substitutes Part 5 of Schedule 4A to the 1998 Order which sets out the specified amount "O" and the guideline rent increase "P" used when calculating deductions from subsidy under paragraph 4 in Part 4 of that Schedule.

Article 5 removes references to community charge benefit from the 1998 Order which are now obsolete as it was replaced by council tax benefit in 1993.

An impact assessment has not been produced for this instrument as it has no impact on business or civil society organisations.

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