



Scottish Housing Best Value Network: Welfare Reform Forums Aug/Sept 2015

East Forum Edinburgh – Wednesday 26th August 2015 (NASUWT Office)

West Forum Glasgow – Thursday 27th August 2015 (Trades Hall)

North Forum Inverness – Thursday 10th September 2015 (The Spectrum Centre)

Summary Report of Events

Introduction

In late August and early September 2015 the second round of this year's SHBVN welfare reforms were held. Edinburgh was the location on Wednesday 26th August swiftly followed by Glasgow on Thursday 27th August. The Inverness event was held a couple of weeks later on Thursday 10th September.

Attendance numbers are holding up considerably given the continuing interest across the housing sector in the welfare reform implementation programme. Overall about 90 people attended the events. Again the Glasgow event was the busiest and the event in Edinburgh was also well attended. In Inverness the attendance was a bit higher than recent forums. A range of local authorities and housing associations were represented with interest continuing to be driven in the main by the roll-out of Universal Credit (UC).

Again the programme for each event reflected the interest in UC roll-out along with some other wider topics. Topics covered included the implementation of UC, the impact on private landlords, the Scottish Government's "Fairer Scotland" and mitigation programme as well as the SHBVN work on assisting landlords to measure the impact of welfare reform. There was also time left for open discussions at each forum.

The main speakers at the events were representatives from the DWP, the Scottish Association of Landlords (SAL), the Scottish Government, the SHBVN as well as City of Edinburgh Council, the Hebridean Housing Partnership and the Highland Council.

The programmes at all three events varied slightly with a range of speakers:

- An update from the DWP at all three events on the UC implementation programme -Edinburgh (Jim McGonigle), Glasgow (Bill Higgins & Jim McGonigle) and Inverness (Susan Johnston);
- The Scottish Government also attended all three events to present on the "Fairer Scotland" and welfare reform mitigation programmes – Edinburgh (Joanna Shedden), Glasgow (Rachael McKechnie) and Inverness (Stephanie Plotnikoff).
- John Blackwood from SAL spoke on the impact of welfare reforms on private landlords at the Edinburgh & Glasgow events;
- Tony Donohoe from the SHBVN presented at all three forums on the recent data collection exercise in relation to welfare reform;
- In terms of individual landlord experiences on UC implementation Joy Campbell from City of Edinburgh Council presented at the Edinburgh forum while Katrina Rowlands from the Hebridean Housing Partnership and Gail Ward (Highland Council) gave their organisations' perspectives at the Inverness event;

In Detail (Presentations and Q&As)

The Forum presentations are available at:

<http://www.welfarereformscotland.co.uk/>

The programme at each event also left time for open discussion generated by the audience and this proved useful for highlighting common issues and sharing practice.

At each forum Tony gave some **brief updates from the SHBVN's perspective**.

These broadly highlighted:

- The further welfare reform measures being introduced by the UK Government (such as the reduction in the Benefit Cap, changes to Housing Benefit entitlement for 18-21yr olds, the freeze on working age benefits such as tax credits and Local Housing Allowance and various changes to income threshold tapers and entitlements for families with children);

- Pre-tenancy Action Requirements – updated that Tony had contacted Scottish Government on this and been informed that no planned changes but keeping a “watching brief “ on it and waiting for UC processes to settle down;
- The Inclusion Scotland Report published in March 2015 examining the impact on disabled people - <http://www.inclusionscotland.org/index.php/publications/13-welfare-reform-impacts-guide> and the CPAG “early warning newsletter”;
- The Scottish Parliament Welfare Reform Committee call for evidence on the Smith agreement and use of devolved powers.

With the DWP representation at all three forums the **Universal Credit roll-out** was high on the agenda for participants and generated a lot of discussion. Some of the key points from the DWP presentation included:

- Tranche 1&2 of UC roll-out complete (54 jobcentres), tranche 3 underway (17 jobcentres) and tranche 4 due to be implemented Dec 15 – Apr 16 (20 jobcentres);
- DWP UC leads appointed for each region in Scotland;
- As at 09/07/15 7,221 UC ‘starters’ in Scotland (cumulative figure) with 20% in employment;
- Recent improvements to the service included the Alternative Payment Arrangement (APA), an escalation phone line for social landlords and improved service centre performance;
- Current issues include low take-up of Personal Budgeting Support and Digital assistance, UC claimants terminating their claim when they go into work and the introduction of the new ‘waiting days’ criteria from 03/08/15;
- In Spring 2016 the Digital Service (DS) is to be extended to another 7 jobcentres across the country (including 1 in Scotland) and this will include extending claims to families in these areas;
- Migration phase for Digital Service over the period 2016-2020 with two stages (transitional up to 2018 and managed migration from 2018 to 2020).

DWP representatives also emphasised some other points including:

- In Scotland it is only in Highland where all household types are in the UC process (all other areas restricted to single people at present);
- There has been a significant training and skills requirement within DWP (particularly service centres) given lack of ‘immediate expertise’;
- Nationally approximately 35% of UC claimants have housing costs but 95% of APAs have been approved (the new electronic system has reduced clearance times);

Not surprisingly the subject of UC implementation instigated a significant amount of discussion. Some of the issues raised included the requirement by DWP for a secure email system for communication with landlords (most LAs have this but not all RSLs). For RSLs the suggestion was to use criminal justice secure system or to acquire other secure email system. There was further discussion over the fact that some UC claimants opt to close down their claim once they go into work and the DWP is trying to discourage this and is hoping social landlords may assist in this when advising tenants. One benefit for landlords is that the 'waiting days' would not apply where the tenant had to claim UC again. However there was also recognition of the need to advise tenants in line with their own views and choices. In terms of the issue of low take-up of Personal Budgeting Support (PBS) some landlords suggested that this should be linked to the APA process given that these are put in place for 'vulnerable' households and many are associated with rent arrears issues.

There was also questions from landlords relating to the APA notifications and payment references. DWP explained that this consists of 1st 8 digits of NI number (i.e. last letter dropped) + the tenancy reference number (up to a maximum number of digits allowed by DWP system). Where no tenancy reference number then the name of tenant is used. DWP also confirmed that only 1 APA could be sent electronically at a time as there was no capacity currently to accept in bulk. There was also query over a national housing cost template and whether it is in use by DWP – not yet but some social landlords have already adopted one standard template that is in use in Scotland.

A summary of some of the other issues raised at the forums with regard to Universal Credit included:

- The ability of social landlords to collect direct debits on a daily basis schedule in line with UC payment dates for tenants (Clyde Valley Housing Association highlighted that they currently have this capability);
- The £45 management allowance for supported and temporary accommodation – still not being paid. DWP response that still an issue and unresolved at this stage.
- Social landlords raising concerns that DWP are making deductions from the housing cost award element of Universal Credit when understanding was that this would not happen. This includes for rent arrears!
- Clarity needed over annual rent increase communications from social landlords to DWP – can this be bulk upload? DWP still in process of reviewing this.

- Trusted Partner status – work still ongoing on this but unclear as to what it would mean in practice at this stage for example with regard to short-circuiting the APA process.

City of Edinburgh Council at the East Forum, Hebridean Housing Partnership and Highland Council (both at the North Forum) provided the landlord perspective on implementation issues. A summary of recent developments are provided below.

City of Edinburgh Council - now looking at longer-term impact on policy and practice (i.e. rent collection) and planning for change, moving the UC role back into neighbourhood housing management function, as at July 15 – 171 know tenants in receipt of UC, arrears increased by 25%, 114 APAs requested (70% of UC claimants have APAs). A trial at Leith Jobcentre is improving processes in terms of notifying social landlords of UC claimant but not sure if DWP will roll-out? A lot more communication with tenants but APA process is becoming too resource intensive to manage and tenants confused by it. Still too many 'unknowns' in system for landlords to work through.

Hebridean Housing Partnership – In Western Isles UC went 'live' on 11/05/15. As at 04/09 55 UC cases. Currently no information on housing costs. Two APAs requested in August 15, 1 awarded and 1 awaiting outcome. HHP provided 4 examples of tenants – all in rent arrears with increases in this related to change to UC. 1 tenant awarded a partial APA but difficult overall to obtain information on claim and payment dates from DWP. Local meetings between DWP, Housing Benefit staff and HHP (although not been one for a while). IT system issues in relation to recording UC claimant, how to differentiate between UC and 'other' related arrears and reporting requirements.

Highland Council – In the Highlands expecting an increase in UC claims at end of seasonal employment period (October onwards). 111 out of 124 UC cases in rent arrears – average renter arrear higher for UC cases when compared to mainstream rent arrears cases. Arrears for ten cases in temporary accommodation over £900 each. Have noticed a peak in non-payment in 1st 5-6wks of claim and then drops down. Experiencing better service on APA now with 2-3 working day turnaround on decisions by UC Service Centre. Still issues in tracking UC housing cost payments when come into landlord and posting them appropriately. Recently held a workshop for support and advice providers and main issues were the lack of knowledge among attendees with regard to UC and many of the housing impacts – new training programme may be required. Gail also highlighted that for all LAs in Scotland there should be a SPOC (Single Point of Contact) for social landlords to raise queries or

escalate issues with regard to UC. This usually a designated person within Revenues and Benefits Service/Section.

With the increasing complexities for social landlords in day to day operational processes associated with UC implementation a useful shared practice resource was highlighted in Edinburgh. **This is the SHAW Bulletin which is being used by social landlords in Edinburgh to share practice on a regular basis. It is also available to other social landlords across Scotland and you can sign up to receive the regular bulletin by emailing Catherine Louch at Prospect Community Housing - <mailto:Catherine.Louch@prospectch.org.uk>**

The Scottish Government provided an overview of the current focus on social justice and tackling poverty as well as the associated welfare reform mitigation programme. The main points were:

- Highlighting the potential cumulative impact of welfare reform in Scotland with a £6bn reduction by 2015/16 with the current SG mitigation programme totalling £296m over the 3yr period up to 2016;
- There is a Child Poverty Strategy for Scotland with a focus on early intervention and prevention but limitations due to wider UK Govt welfare reform programme;
- Increasing focus on Christie Commission Principles, working in partnership and asset- based approaches and co-production;
- Scotland Bill outlines new powers for Scottish Parliament, timetable being determined by UK Government but plan is to have Bill through by time of dissolution of Scottish Parliament (March 2016);
- UC flexibilities tied into this – Scottish Welfare System ‘emerges’ from 2017 onwards;
- Currently SG promoting a national discussion on a “Fairer Scotland” to tackle inequalities – shared approach to developing vision at this stage.
- Three broad phases to this work up to February 2016 – testing the vision and approach, engaging people in the policy-making process and responding to the conversation;
- Various mechanisms for people to get involved – i.e. social media, local events, let SG know about existing good practice.

In terms of questions these mainly related to how people could get involved in the “Fairer Scotland” discussions. For example are community councils involved or how do social landlord staff get involved in the national conversation. There was also some discussion in Inverness over the new powers associated with UC and when

these would actually be implemented given that the roll-out is continuing on regardless.

John Blackwood from the Scottish Association of Landlords (which draws its membership from private landlords across Scotland) provided an interesting perspective on the impact of welfare reforms on the Private Rented Sector (PRS). The main points emphasised by John included:

- The implementation of Universal Credit is not a major issue for private landlords given that LHA and direct payments to tenants are already in place – some aspects are welcome such as the standardisation of services for all landlords, the DWP helpline, deductions for arrears etc;
- The concerns for private landlords more relate to wider welfare reform such as the Benefits Cap (in a recent survey¹ of private landlords undertaken by SAL 69% of landlords reported problems with rent payments and 42% planned to issue Notices to Quit);
- The survey also found that 64% of private landlords intended to stop letting properties to people in receipt of benefits;
- There is an overall shortage of housing with significant competition to obtain a property in the private rented sector;
- The change environment for the PRS is significant and not just about welfare reform – tenancy reform and tax changes are two other major changes;
- For the PRS engagement with 32 LAs can be challenging with different attitudes, support and mandate systems for tenants and landlords.

In terms of discussion around these issues there was a question over what learning there was from the PRS in managing direct payments – John cited early intervention and for many landlords the relationship and communication with tenants is important. There was also a query over whether SAL would help its members on support services for tenants – some larger landlords in PRS have invested in support services for tenants and also RSLs with private rented stock are also able to draw on their expertise for this. Finally in Glasgow there was a discussion over the link between housing benefit and housing costs under Universal Credit and the requirement for landlords to be registered in Scotland. DWP will only pay for up to 28 days if landlord not registered but expectation is that landlords would seek registration in the intervening period.

At the afternoon sessions Tony Donohoe from the SHBVN gave some initial feedback on the welfare reform indicators data collection exercise. This had been implemented

¹ Please note the survey and reporting are attributed to SAL

for all SHBVN member landlords for the 1st quarter of 2015/16 (April to June). In terms of reporting on the data at global level Tony emphasised to read the results with a note of caution given the level of returns and still relatively early stages of UC implementation for most landlords. Main points were:

- Only 24% of SHBVN members had completed return for 1st quarter (Tony is encouraging all members to complete these for 2nd quarter);
- There are a total of 13 indicators being used;
- Of the total returns the social landlords owned approx. 58,500 properties with 6,500 tenants affected by the 'Bedroom Tax';
- Approximately 6,150 tenants were identified as being in receipt of a Discretionary Housing Payment (DHP);
- 98 tenants were identified as being in receipt of UC (80 tenants receiving housing cost element and 40 with an Alternative Payment Arrangement in place);
- Approximately 36 FTE staff are working on welfare reform across the 29 social landlords that returned the data.

There was discussion around this at the 3 forums with the main issues being some RSLs unable to provide numbers of DHP recipients as information coming from the LA doesn't distinguish this, the terminology of some of the indicators needs to be updated to reflect current status (i.e. use housing cost which is what DWP refers to as opposed to housing subsidy) and the process for distributing the data collection needs to be improved to check that the right contact within landlords is receiving the request.

Conclusions

This round of the forums was again well attended and the appetite to share experiences and knowledge among social landlords remains strong. All the presentations were received well with subsequent discussions continuing to emphasise the range of both persistent and emerging issues that need to be addressed as specific policy areas such as Universal Credit are rolled out. As always further suggestions from participants are welcome for future agenda items. Please email [Moira Fraser](mailto:Moira.Fraser@shbvn.org) at the SHBVN if you have any suggestions.

These forums are delivered by the SHBVN to support landlords with assistance from other national housing organisations such as the SFHA and CIH. Part funded by the Scottish Government the SHBVN forums have three established regional networks in north, east and west Scotland.

The forums are free to all social landlords across Scotland – both SHBVN members and non-members. The sessions are intended to allow landlords an opportunity to share practice and support one another's intervention strategies.

Once again, the events were chaired and facilitated by Tony Donohoe, SHBVN Associate. Tony can be contacted at <mailto:info@tonyconsulting.co.uk>



Presentations

For more detail on the discussion please see the presentations posted on the SHBVN website. Each of the presentations can be viewed or downloaded on SHBVN's website at: <http://shbvn.org.uk/welfare-reform/>

they can also be accessed at the Housing & Welfare Reform Library by following the link:-

<http://www.welfarereformscotland.co.uk>



Mailing List

To ensure that you receive all information on forum events and outputs make sure you are on our mailing list by contacting Moira Fraser at:- moira.fraser@shbvn.org or telephone 0131 240 5228.



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