



Scotland's Housing Network (SHN): Welfare Reform Forums Jan/Feb 2016

East Forum Edinburgh – Wednesday 27th January 2016 (NASUWT Office)

West Forum Glasgow – Thursday 28th January 2016 (Corinthian Club)

North Forum Inverness – Thursday 4th February 2016 (The Spectrum Centre)

Summary Report of Events

Introduction

The new year brought in the fourth round of this year's SHN welfare reforms in late January and early February. The Edinburgh and Glasgow events were held on Wednesday 27th January and Thursday 28th January respectively. A week after the Inverness event was held on Thursday 5th November.

A record-breaking attendance (particularly in Glasgow with nearly 60!) saw well over 100 people attending across the three forums. The welfare reform juggernaut continues apace and again a range of local authorities and housing associations were represented. The continued roll-out of Universal Credit feature heavily again but also specific areas of concern for social landlords such as the notifications of rent increases for those in receipt of welfare reform.

The programme for each event varied with a strong focus on Universal Credit and other updates on wider welfare reforms. The potential use of new UC flexibility powers for the Scottish Parliament and the views of social landlords provided a specific focus. Wider projects were outlined with regard to welfare reform and tenants through the Social Publishing Project and the Rental Exchange Project. In addition at one of the forums there was a presentation on the Universal Support Delivered Locally (USDL) trial in Argyll & Bute.

Speaking at all the events were representatives from the Department of Works & Pensions (DWP), the Scottish Government and the Scottish Federation of Housing Associations (SFHA). In Edinburgh and Glasgow the Social Publishing Project also presented. Big Issue Invest Scotland and Experian as well as Argyll & Bute Council completed the programme in Inverness.

The programmes in Edinburgh and Glasgow were the same with a slightly different programme in Inverness:

- An update from the DWP at all three events on the UC implementation programme -Edinburgh (Bill Higgins), Glasgow (Jim McGonigle) and Inverness (John Davis);
- At all events Scottish Government representatives (Olive Hill & Stephanie Criddle) outlined the new powers that will be available to the Scottish Parliament;
- An update from the SFHA (Jeremy Hewer) on welfare reform at all three events;
- In Edinburgh and Glasgow Jeff Mitchell presented on welfare reform and the work of the Social Publishing Project;
- In Inverness Douglas Whyte from Argyll & Bute Council spoke about the USDL trial in their area;
- Also in Inverness the Rental Exchange Project was outlined by Experian (Lee Amos) and Big Issue Invest Scotland (Michelle Davitt).

In Glasgow Jim was also joined by 2 colleagues from the Universal Credit Service Centre – Raymond Robertson and Paul McCarron who assisted with the Q&A session.

In Detail (Presentations and Q&As)

The Forum presentations are available at the welfare reform library (there is also a host of guidance, policy and research documents on welfare reform at this website):

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

You can also sign-up for the SHAW (Social Housing and Welfare Reform) bulletin available to social landlords across Scotland to receive regular weekly practice updates by emailing Catherine Louch at Prospect Community Housing - <mailto:Catherine.Louch@prospectch.org.uk>

At each forum Tony gave some **brief updates from the SHN's perspective**. This included reporting on the 2nd quarter indicator returns for SHN members. The number of returns had decreased from the 1st quarter and Tony emphasised the

need to return these to help build up some national statistics on the impacts on landlords. Tony also advised that the SHN will be moving office location at the end of February to Cosla offices in Haymarket, Edinburgh. The SHN will also keep attendees updated on the future of the forums given that the current financial year was coming to an end.

The DWP provided an update on Universal Credit roll-out. As well as this there were a number of questions and points of discussion across the forums. In summary these were:

- In Scotland approximately 19,000 UC claimants at present with 74 (out of 94) Jobcentres now delivering UC. By end of April 2016 all jobcentres in Scotland will be delivering UC;
- The "Full Service" will be rolled out shortly (March 2016) in Musselburgh (East Lothian) and this is distinct from the current "live service". The "Full Service" incorporates the rolling out of the digital system for UC as well as being available to all potential UC groups (i.e. not just single people);
- In "Full Service" areas a new Delivery Partnership Agreement will be put in place but there is no official timetable for it being rolled out beyond the current stage and described as a "slow controlled roll-out" (1 other area in Scotland may be added in summer 2016);
- 'In Work Progression Trial' being tested in Edinburgh where UC customers currently in work will be encouraged to increase hours, set out career progression etc.;
- Graham Mowat is the new UC Service Centre Manager for Scotland (1,100 staff in the Glasgow Service Centre);
- **Third Party Dependent Deductions Queries** – Phone Number for this confirmed as **0345 6002859**
- In Inverness there was more information on the USDL trials – 13 in UK with 2 Scottish areas, Argyll & Bute and Dundee City. Testing triage, digital support, Personal Budgeting Support in Argyll & Bute and more digital focus in Dundee. The trials have all now finished and DWP evaluating these with report due to be published in Spring 2016.

There was a lot of discussion over the notification of rent increases to DWP for UC claimants. The position from the DWP is that tenants must notify the DWP of their rent increase – bulk uploads from social landlords are not acceptable this year (due to legal constraints). The upshot is that social landlords will have to identify their affected tenants and communicate this to them emphasising the importance of notifying the DWP. It was suggested that landlords could use the North Lanarkshire Council letter template for this and the SFHA had also circulated information on this

to social landlords. The question was also raised that it would be useful if Jobcentre workcoaches were aware of the rent increase issue so they could emphasise to claimants when they are in contact with them (DWP reps to follow-up).

In Edinburgh one landlord highlighted the low level of referrals for Personal Budgeting Support from workcoaches. Again this highlighted the difficulties in engagement with customers on this issue. Generally PBS has had low levels of referral and take-up according to DWP.

Some landlords still reporting poor level of notifications (UC179) by DWP when tenants are in UC system. This has been an ongoing issue and appears difficult for DWP to resolve under current 'live' system. It may take the roll-out of 'full system' before performance improves significantly.

River Clyde Homes (rep at Glasgow forum) has examined the secure email system requirement from an RSL perspective and found access to one relatively straightforward and at no additional cost.

In Inverness **Argyll & Bute Council presented on their experience of involvement in the USDL trial.** The main points in the presentation were:

- Trial started 01/09/14 with 3 core elements of triage, Personal Budgeting Support and digital inclusion and was then extended up to 30/11/15;
- Existing excellent partnership working used as foundation – i.e. multi-agency welfare reform working group, advice network, housing options hub;
- Project jointly led by Council & DWP with CAS, NHS and local RSLs as main partners;
- Aim to refer 2,000 participants to the trial and identify demand and gaps in services (1,739 referrals in initial year with 617 referred to housing support for low level triage);
- Challenges included rurality, lack of facilities for digital support as well as poor broadband, no standard PBS support and public transport;
- Successes included extension of IT facilities, outreach work service model, development of on-line PBS toolkit, bank tutors recruitment, improved partnership working with better referral process and uncovering unmet need with preventative approach;
- Issues included encouraging engagement on PBS issues compared to easier digital aspect and referrals from NHS low;
- The extension of the trial also looked at the use of Post Office Accounts (can't be used for UC) among customers and found that out of 25 people 20 also had transactional banking accounts;

- Council now intends to extend process to 31/03/16 (European funding sought).

Discussion and questions on the Argyll & Bute trial followed. On the funding of the project (given the context of constraints on housing support budgets in some areas) it was clarified that the DWP had funded the co-ordinators post for this. For other aspects such as Wi-Fi into schools to enable their use this had been funded through Scottish Government mitigation funding. Partnership working was key to success of the trial and good communication and referral routes between all agencies.

Continuing the Universal Credit theme at all three events the **Scottish Government presented on the new welfare powers for Scotland** with the following main points:

- Scottish Government (SG) priorities for UC flexibilities to be implemented are (1) payment of the housing cost directly to the landlord and (2) more frequent payments to the claimant (twice monthly);
- The flexibilities will provide more of a choice for Scottish claimants over issues such as direct payment of their housing costs to their social landlord;
- SG Working at 2 levels at the moment – the parliamentary legislative processes and with the DWP on operational implementation aspects (including costs of flexibilities);
- Challenges include fiscal framework & legislative timetables, avoiding adding complexities, training for DWP staff and how best to manage Scottish claimants migration;
- Power to vary under-occupancy ('Bedroom Tax') will be devolved and currently mitigated through the DHP system;
- DHP system to be devolved and SG currently looking for feedback on this and how it works and could be improved for Scotland?

In terms of discussion and feedback there was a focus on the mechanics of the issue of direct payments to landlords and how this would work in practice. From this it is clear that the choice will rest with the claimant and interactions with work-coaches will be important in this regard. Scottish Government are emphasising that where a tenants housing costs are currently paid direct to the landlord it may be that tenants would be encouraged to keep with that arrangement.

With regard to DHPs most landlords indicated that it would be best if this was as straightforward as possible particularly with regard to the Bedroom Tax mitigation. There was also some discussion over the need for broad guidance on the system and also the possibility of a standard application form across Scotland?

There was also a question at the Glasgow forum on how private landlords are involved in the consultations on new powers and welfare reform. SG has been consulting but keen to also engage with LAs on how best to do this and feedback from PRS landlords in their areas.

In Inverness there was a view that the Scottish Government should use the flexibilities to ensure that that UC housing element was paid direct to the landlord where the tenant was in temporary or supported accommodation. There are also issues around Alternative Payment Arrangements and change of circumstances impacting on these and the landlord having no information as to why payments have stopped or changed.

The welfare reform topic was broadened out by **updates from the SFHA** at all the events:

- UC roll-out gathering pace in Scotland from just over 600 in Dec 2014 to over 18,000 in Dec 2015;
- A further 6 LA areas in tranche 4 of roll-out finishing with Perth & Kinross in on 25/04/16;
- View that the new 'full system' roll-out required as part of Scottish Government flexibilities – starts in 2016 with picking up pace in 2017;
- SFHA re-iterated no bulk transfer notifications of rent increases and advised landlords to provide tenants with 'headed paper' template including NI number, full breakdown of rent and service charges and payment frequency;
- The Local Housing Allowance 'cap' was announced in the Autumn Statement by the UK Chancellor and will apply to all new tenancies from April 2016 (includes shared accommodation rate for under 35s) however it will not take effect until April 2018;
- The LHA cap could have particular impacts on young people, supported and temporary accommodation etc.;
- Other impending changes are removal of the child element of Tax and Universal Credit for larger families and changes to UC work allowances;
- Benefits sanction pilot to take place in Scotland from March 2016;
- "Trusted Partner' trials – DWP still to decide on landlords selected to take this forward with up to 20 across the UK (some landlords at the forums indicated that they had 'bid' for this).

In Glasgow and Edinburgh Jeff Mitchell from the **Social Publishing Project** outlined their work on welfare reform across the UK and in particular their publications and reader survey results. They are a 'not for profit' organisation. Points highlighted included:

- Established in 2008 to produce resources to combat poverty and promote financial wellbeing across the UK;
- Produce publications on financial inclusion topics including "Quids In" magazine (reached 300,000 households in 2014) covering issues such as Universal Credit;
- Core content includes budgeting, banking, debt, savings, consumer advice etc.
- Sold to landlords etc. to distribute free to tenants and others;
- Also conduct reader surveys which have highlighted issues such as declining health, less use of financial services, money worries particularly among those not working;
- Also have training & employment services supporting paid work for jobseekers to enhance skills, confidence etc.;
- Also support UC claimants with key challenges identified including literacy & numeracy, access to IT facilities, single payments to households, budgeting & access to banking;
- UC claimants tend to start their journey in rent arrears;
- Claimants need to be aware of help such as budgeting advance, Alternative Payment Arrangements, advance UC payments & hardship payments;
- The '3Bs' important for UC claimants – **budgeting, banking and being on-line.**

Landlords can also sign up for the SPP e-zine (10 editions per year) for free. The SPP is also going to consider the need for a Scottish edition of their magazine. In discussions it was suggested that SPP get in touch with TPAS and TIS in Scotland who promote tenant participation and work with tenants and residents across Scotland. There was also a question over the cost of the magazine to landlords – Jeff said between £0.10 and £0.25 per copy. They are also assessing the merits of producing a digital edition of the magazine.

Finally in Inverness **Big Issue Invest Scotland and Experian outlined the Rental Exchange Project.** This is a relatively new project (launched in early 2014) aimed at improving the mainstream credit ratings of social housing tenants by allowing rental payments to be incorporated into credit histories. The main points were:

- It is a partnership in Scotland involving Big Issue Invest and Experian (but is UK wide initiative);
- Supporting and improving financial inclusion among social housing tenants is one of the main aims through enhancing their credit file by including their rental payment history;

- Tenants get recognised for paying their rent on time and can be used for digital authentication;
- In the UK the project has been designed and driven by the housing sector (HAs and LAs) with an independent advisory group;
- Landlord can also potentially access new data (cost associated with this) on their tenants i.e. to assist with APAs and identify financial vulnerabilities impacting on tenancy sustainment;
- In Scotland Renfrewshire Council and Elderpark HA are looking to use the service;
- The main cost for landlords is notifying the tenant of their intention to use the service (tenant must opt out).

Conclusions

Attendance at the events was again excellent and thanks again to all those that participated in the forums. As always further suggestions from participants are welcome for future agenda items. Please email [Moira Fraser](mailto:Moira.Fraser@shn.org.uk) at the SHN if you have any suggestions and we will endeavour to incorporate these.

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

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

The events are chaired and facilitated by Tony Donohoe, SHN 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 SHN website at:- <http://www.scotlandshousingnetwork.org/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](mailto:Moira.Fraser@shn.org.uk) Tel: 0131 466 3710



Scotland's Housing Network

1st Floor, Verity House, 19 Haymarket Yards, Edinburgh EH12 5BH

Tel: 0131 240 5227 Web: www.shbvn.org.uk

Reg Charity No. SCO42381 Registered Company 401352 Scotland