



Scotland's Housing Network (SHN): Welfare Reform Forums August/September 2016

East Forum Edinburgh – Wednesday 31st August 2016 (NASUWT Conference Hall)

West Forum Glasgow – Thursday 1st September 2016 (The Trades Hall)

North Forum Inverness – Thursday 8th September 2016 (The Spectrum Centre)

SUMMARY REPORT OF EVENTS:-

Introduction

The second round of events this financial year were held at the end of August and start of September 2016. Edinburgh on Wednesday 31st August 2016 and Glasgow the following day, Thursday 1st September. The Inverness event was held on Thursday 8th September.

Attendance at the forums was high with around 100 people attending the three forums across Scotland. Again Universal Credit and its impact on social landlords was one of the main topics and DWP representatives gave us an update at all the events. In addition, the Scottish Government attended to present on the current Social Security consultation. The SFHA and SHN also provided a number of wider updates with an open forum for discussion also facilitated by Tony.

The formal programme was the same at all three events with the open forum presenting the opportunity for variations in the discussions:

- Tony Donohoe from the SHN with brief updates on the forums and the SHN Welfare Reform indicators;
- An update from the DWP at all three events on the UC implementation programme - Edinburgh & Glasgow (Bill Higgins) and Inverness (Susan Johnston);
- The Scottish Government presenting on the Social Security consultation – Edinburgh (Stephanie Criddle & Gerry Wilson), Glasgow (Stephanie Criddle & Chris Boyland) and Inverness (Olive Hill);
- Jeremy Hewer from the SFHA provided updates on issues affecting social landlords;
- Open discussion on topics such as rents and income collection, the Benefit Cap etc.

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.welfareformscotland.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>

Please note that the DWP Universal Credit & “Verify” videos demonstrating the “full service” application process can be found on YouTube at the following link:

<https://youtu.be/fy06rAVZuss>

At each forum Tony gave some brief **updates from Scotland’s Housing Network perspective**. This included:

- Highlighting SHN contact with East Lothian Council to feedback any ‘full service’ issues that are arising to share through the forums;
- Raising awareness that DWP and Homeless Action Scotland were conducting some training for Jobcentre staff on vulnerability and homelessness;
- Updated on the 1st quarter 2016/17 WR indicator data returns from SHN landlord members and also a recent DWP statistical publication (May 2016) on Alternative Payment Arrangements and Housing Costs.

Tony noted that we were now into the second financial year of collecting the welfare reform indicator data and the numbers on which to base analysis were increasing. Some points of note with the last dataset for the 1st quarter of 2016/17 was:

- 21 completed returns were received from Local Authorities and Housing Associations – the number of LA returns is increasing;
- Just under 14,000 tenants are in receipt of Discretionary Housing Payments with around 15,700 tenants affected by the ‘Bedroom Tax’;
- In total just over 2,000 tenants are in receipt of Universal Credit (for all 21 landlords) and nearly all of these (1,966) are receiving the housing cost element of UC;
- Just under 750 tenants have an Alternative Payment Arrangement in place, representing 38% of all UC ‘housing cost’ tenants;
- 442 tenants defined as ‘vulnerable’ equivalent to 22% of all UC tenants;
- For landlords the use of APAs appears to vary ranging from 6% to 55%.

Tony also gauged interest in a developing proposal to build on the emerging WR indicator data to examine the current impact on rental income and collection of the housing cost aspects of Universal Credit. This could be done with a small number of landlords although there would need to be consideration of the resource/funding to do this work.

The DWP updated on Universal Credit roll-out from their perspective. Not surprisingly at all forums this was followed by questions and discussions. In summary the presentation's key points were:

- Outlining the disclosure to landlords' process and improvements being made to this. Recently published DWP Guidance "Universal Credit: Housing costs and disclosure" can be found at the following link;

<https://www.gov.uk/government/publications/universal-credit-and-rented-housing--2>

- Improvements to the UC179 (notification to landlords of UC claim) deployed on 20th June 2016 with automatic email notifications being used;
- 'Full Service' roll-out timetable outlined. It is now live in Musselburgh (East Lothian Council) and Inverness (Highland Council) jobcentre areas and will be followed by Kirkintilloch, Port Glasgow, Greenock (November 2016), Dalkeith and Penicuik (March 2017) jobcentres. Noted that postcode sectors determine the geographical roll-out so may apply to more than one Local Authority area;
- Housing cost verification process outlined.

In common with all the previous recent forums social landlords across Scotland continue to identify and emphasise specific issues with the implementation of UC and the housing cost element. At these forums these included:

Communication with DWP and Service Centre staff: Social landlords reporting that housing costs queries are sometimes answered with inconsistent information and confusion over the verification process and consent. It is difficult to obtain basic information on claimants housing costs. Also some landlords feel that the Partnership Managers assigned to their areas are being stretched in terms of resource to deal with any queries as more areas come under their jurisdiction. DWP also aware of issues with central email boxes and incorrect distribution of these. Also appears to be an issue where some landlords are receiving communications that don't relate to their tenants – DWP advise that there may be an issue with drop-down boxes being used by staff and landlord names getting mixed up. In Glasgow and Inverness the issue of the Apollo list (where certain LA staff are authorised to access DWP data) for LA landlords was raised with the view that some staff who needed to access data were not on it.

UC 179 Landlord Notifications: Social landlords still reporting issues in terms of them being notified by DWP when a tenant has claimed UC. This appears to come through for some tenants but not others and landlords remain reliant on tenants giving them the information directly rather than DWP. 'Awareness triggers' for landlords include where rent payment pattern changes or tenant requests a copy of their tenancy agreement. DWP confident that landlords should see an improvement in notifications with increasing numbers coming through but caseload numbers affecting the UC service centre.

UC "Full Service" Roll-out: At the Edinburgh forum East Lothian Council staff highlighted issues around difficulties in navigating the UC process for people that are vulnerable and

also those that are in prison (where existing UC claim) or hospital. Appears to be question-marks over the level of support available from DWP and how this is organised. DWP advise that Delivery Partnership Agreement should cover this with regard to specific support elements such as Personal Budgeting Support and Digital.

‘Compensation’ for landlords where UC not administered ‘properly’: A query was raised at the Edinburgh forum over where an APA was in place but the DWP had paid the housing cost element to the tenant on two occasions. In this case would a landlord be able to seek ‘compensation’ from DWP through normal process of recourse. DWP outlined that there is a process but to date no UC administration issues had resulted in ‘compensation’ payment as far as they were aware. Also a view that it might be a difficult one to justify where the tenant has been paid what they are entitled to in terms of housing costs.

At all the forums the current Social Security consultation in Scotland was described by the Scottish Government:

- Outlined the powers and benefits being devolved to the Scottish Government including Discretionary Housing Payments (DHPs) and the UC ‘flexibilities’ representing approximately 15% (£2.7bn) of total UK welfare spending in Scotland;
- The majority of the potential budget relates to Disability Living Allowance (DLA) and Personal Independence Payments (PIPs) at £1.629bn;
- Scottish Government has already made some ‘commitments’ as part of new welfare powers including effectively abolishing the ‘Bedroom Tax’;
- An overall visions and principles have been set out as part of the approach;
- The consultation is open until 28th October 2016 and social landlords are encouraged to respond with overall the aim to introduce the first devolved Social Security Bill in 2017.

In terms of the housing aspects of the consultation:

- Discretionary Housing Payments will become SG responsibility from April 2017 and intention is that these will broadly operate in the same way for 2017/18 with views on improvements welcome;
- Universal Credit administration flexibilities – more frequent UC payments and housing cost direct payments to landlords already planned and consulting on split household payments and extending direct payments to private landlords;
- Universal Credit housing element – ‘Bedroom tax’ mitigation already planned but views on other ways to use the power are sought;
- The consultation is proposing that a Disability Benefits Assessment Commission is established to examine the assessment process and produce guidance in Scotland on this;
- 1.4m people in Scotland currently receive ‘devolved’ benefits and intention of Scottish Government to establish ‘user panels’ as part of process of improvement.

Finally, the Scottish Government updated on the changing role and remit of the national Housing and Social Security Group (formerly the Housing Benefit Stakeholder Advisory

Group). This will now include the housing elements of the new social security powers with the group providing expertise on how to develop and implement these.

The SFHA provided further information on a range of detailed issues affecting landlords including:

- As at May 2016, 28,141 UC claimants in Scotland with 5,900 social housing tenants having a UC award with housing costs (42% had a managed payment/APA in place);
- Currently the new revised Benefit Cap limits due to be applied from November 2016 and excess is taken from Housing Benefit/UC housing costs;
- Highlighting the Scottish Government UC 'flexibilities' will only apply to 'full service' and continue impact for those on 'live' service and legacy benefits therefore mitigation strategies needed for foreseeable future;
- Local Housing Allowance (LHA) rate cap - under 35s and freeze as well as important review of supported accommodation by DWP and consultation awaited (may be Autumn before it emerges);
- April 2017 – housing benefit changes to 18-21yr olds and child element changes to tax credit/UC come into effect under current timetable.

Jeremy also had a quiz on key political figures in the UK involved in welfare reform! He also highlighted and showed the 'verify' process video on YouTube (see link in SFHA presentation).

In the afternoon sessions there was a wider open forum discussion among participants. Some of the additional topics and issues covered included:

- That some social landlords are moving towards minimising the use of APAs focusing on the most vulnerable cases or severe rent arrears cases (i.e. where court action instigated);
- Landlords emphasising that 'UC tenants' have higher levels of rent arrears – one LA quoted that of 250 'UC tenants' 86% are currently in rent arrears. In Inverness DWP said that UK research (DWP commissioned) is being considered into impact on rental income for landlords.
- Landlords are preparing for the Benefit Cap changes and most appear to have communication links between DWP, LAs and HAs to identify those affected and consider mitigation actions;
- Issue raised over Scottish Government commitments to increase benefits such as Carers' Allowance and how this would interact with other benefit entitlements for some people – for example would the increase be offset by benefit reduction elsewhere?
- DWP clarified that the twice monthly payment power if put into practice would mean that at the start of the UC claim period the 1st payment would only be for 2 weeks' money and not 4 weeks as it is now;
- Feedback that the 'verify' process as it stands does not work for all UC claimants in 'full service' due to lack of relevant documentation or services behind the portal unable to verify claimants;

- Also a query raised on the use of signed mandates by advocates/representatives under the legacy benefits system and changes with UC which doesn't appear to have this facility (notwithstanding the move towards the disclosure guidance outlined above).

Conclusions

Thanks to all those that attended and participated in this round of the forums. Overall they were well attended and demonstrate the appetite among social landlords to continue to work together on this agenda. Ideas for future agenda items and speakers who can share their experience of welfare reform would be appreciated by the SHN. Please email [Moira Fraser](mailto:Moira.Fraser@shn.org.uk) at the SHN if you have any suggestions for the agenda or would like to speak at one of our forums.

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.scotlandshousingnetwork.org

Reg Charity No. SCO42381 Registered Company 401352 Scotland