



## **Scotland's Housing Network (SHN): Welfare Reform Forums May/June 2016**

East Forum Edinburgh – Wednesday 25<sup>th</sup> May 2016 (Cosla Conference Centre)

West Forum Glasgow – Thursday 26<sup>th</sup> May 2016 (The Corinthian)

North Forum Inverness – Thursday 9<sup>th</sup> June 2016 (The Spectrum Centre)

### **Summary Report of Events**

#### **Introduction**

The first events of 2016/17 were held in May and June 2016 with Edinburgh and Glasgow on Wednesday 25<sup>th</sup> May and Thursday 26<sup>th</sup> May respectively. The Inverness event was held on Thursday 9<sup>th</sup> June.

Generally, attendance at the forums remains steady with approximately 90 people attending the three forums across Scotland. The roll out of Universal Credit has now extended to all areas in Scotland and UC generally continues to be the hot topic at the forums for social landlords. Given this interest DWP representatives attended all the events to give an update on Universal Credit and in particular issues relevant for landlords. Again the Speaking at all the events were representatives from the Department of Works & Pensions (DWP). The SFHA also presented at all the events and the line-up was completed by a number of updates from the SHN.

This time round the programmes were similar at all three events with the opportunity for smaller group discussions at the afternoon session:

- An update from the DWP at all three events on the UC implementation programme - Edinburgh (Susan Johnston), Glasgow (Jaqueline Brown & Paul McCarron) and Inverness (Susan Johnston & Kyle Murray);
- Jeremy Hewer from the SFHA provided updates on issues affecting social landlords including the proposed LHA rate 'cap' on social housing;
- Tony Donohoe from the SHN gave specific updates on the SHN welfare reform indicators and feedback from East Lothian Council on full service roll-out;
- Group discussions on topics such as Alternative Payment Arrangements and Discretionary Housing Payments.

#### **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 video 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 work the SHN was focusing on**. This included:

- Highlighting that Universal Credit is now ‘live’ in all jobcentres in Scotland (and across the UK) although the majority are still through the ‘live’ service with gateway restrictions still in place (i.e. majority of areas still only allowing single person UC claims);
- ‘Full service’ roll-out has been extended across a small number of areas in the UK with one in Scotland – Musselburgh Jobcentre which primarily covers the whole of the East Lothian Council area;
- Confirming that forums will now continue for financial year 2016/17 with the future programmes to include updates from Scottish Government on UC flexibilities etc. and linking in with East Lothian Council on sharing their experiences of ‘full service’ roll-out;
- Feedback from the Scottish Government Housing Benefit Stakeholder Advisory Group – the SHN had recently provided the group with information on issues affecting social landlords;
- Tony also highlighted recently published (Feb16) DWP statistics on Housing Benefit which shows a relatively low proportion of claimants under 25yrs – only 5.27% of the total number of claimants. This is in the context of current plans to restrict HB entitlement to some younger people aged 18-21yrs.
- Provided specific feedback from East Lothian Council Housing Service on their early experiences of ‘full service’ roll-out in their area;
- Updated on the last quarter 2015/16 data returns from SHN landlord members.

Tony also provided some initial feedback from East Lothian Council’s Housing Service on their early experiences of the “full service” roll-out of Universal Credit in their area as well as the latest data received for the SHN welfare reform indicators.

In terms of the East Lothian feedback Tony noted that it was early in the process of roll-out the main points included:

- For some customers the new system confusing and unaware of Universal Credit and what benefits they should be applying for;
- Customers with lack of personal access to IT or smartphone facilities or skills to use these;
- Length of time to complete application process can vary and inability to 'save and retrieve';
- Stable wi-fi access required and useful for staff to have a checklist before providing assistance to customers with on-line process;
- Waiting time for UC phone helpline approximately 20 mins and at times incorrect or conflicting information being given through UC helpline;
- Claimants need to be aware of responsibilities to check their on-line account regularly and ensure updating with relevant information (in some cases may face sanctions if not done);
- In some towns/villages lack of banking facilities so useful for staff to have list of banks and locations to assist – also lack of private space in some libraries to help customers;
- Disproportionate amount of staff time at present spent on assisting/supporting customers with concerns over impact on other areas of housing service;
- Since “full service” roll-out number of UC cases has gradually increased and rent arrears associated with these cases has increased.

Data has been collated on the last quarter (2015/16 financial year) for the SHN Welfare Reform indicators and Tony presented on these at all three forums (figures were updated for Inverness event and these have been used here). A total of 28 completed returns were received mainly from Housing Associations:

- 10,458 tenants in receipt of Discretionary Housing Payments (although 7 landlords did not provide this information);
- 13,016 tenants affected by 'Bedroom Tax' (4 landlords did not provide this information);
- 1,341 tenants in receipt of Universal Credit highlighting the relatively low impact at the moment;
- 1,226 tenants in receipt of the 'housing cost' element of Universal Credit with 534 tenants having an Alternative Payment Arrangement (APA) in place mainly of direct payment to the landlord;
- 44% of tenants with housing costs have an APA in place;
- 8% of all 'UC tenants' defined as vulnerable under DWP definitions and 10% referred for money/debt advice (note that 'vulnerability' appears to be under-reported given that figure for APAs is higher among social landlords).

Also noted at Glasgow event that some attendees not receiving the data request email. Tony to check with SHN on who data requests are going to.

**The update on Universal Credit roll-out from the DWP** was fairly wide in its scope across the three events and assisted by the range of questions and points from the audiences. In summary the main points were:

- Confirming that UC roll-out has now been completed across the UK and the timetable for the 'full service' roll-out includes an additional 5 jobcentres per month from May 2016 with an acceleration planned to 50 per month from February 2017;
- 'Full service' areas will take claims from all household types with gateway conditions removed;
- Highlighting some of the differences between the 'live' and 'full' service with the main change being the increased focus on digital interaction between customer and DWP through a single transaction on-line account with a significant emphasis on claimant responsibility and self-management of information flow;
- Information on some of the initial questions/issues that social landlords had identified in 'full service' such as predicted volume of cases, what proportion will have rent liability, have UC 'housing teams' in DWP sufficient capacity to deal with demand, broad communication and notification issues etc.

DWP also highlighted that a new video is now being made available which aims to assist claimants and service providers to understand the 'full service' digital application process as well as ongoing UC account management. The video can be found on YouTube:

<https://youtu.be/fy06rAVZuss>

There was a great degree of interest from social landlords reflected in the number of questions generated and ensuing discussion. It is important also to acknowledge that generally DWP is aware of inconsistencies in service across Scotland in terms of landlords experiences and attempts to address these on an ongoing basis. Some of the key points to highlight under specific themes are outlined below:

**Alternative Payment Arrangements:** Clarification over the arrangements in Scotland where a 24 month timeline can be put on an APA. The Scottish Government requested this from DWP while new UC flexibilities were being considered and this has been agreed. An APA can still be reviewed in certain circumstances (i.e. if claimant requests). Some landlords across the forums raised issues over where APAs were being reviewed with no communication or reference to the landlord – DWP clarified that their staff should be contacting landlords to establish the current rent arrears situation before decision. Another issue raised was the adjustment of APAs for rent increases and how this was done as landlords reporting that inconsistencies in this with some with increases and some not – DWP advised that should be done automatically when rent increase updated and verified. Reducing the Third Party Deductions (TDDs) for rent arrears from the maximum of 20% was also raised by some landlords as they were unclear as to how to do this. This can be done through specific request – maximum total deductions allowed is 40%. However, it is sometimes unclear if reducing the housing element of TDDs will lead to an overall reduction in financial pressure for the claimant if other deductions apply anyway and could be increased?

At least one landlord also noted that APA payments were coming through with unidentifiable reference numbers making it difficult to post to rent accounts. General inconsistency in process experienced by landlords including incorrect rent assessments, payment to claimant sometimes even when APA in place, length of time to process and lack

of backdating even when DWP responsible for mistakes. Also issues over resourcing the administration of the process from landlord perspective – one landlord taking view that priority is placing responsibility on tenant and communicating directly with them on this.

**Discretionary Housing Payments:** In both Edinburgh & Glasgow landlords raised the issue over difficulties in DHPs being paid where UC tenant is receiving housing cost element. Due to disconnect now in administration with LA Revenues and Benefits Services not having necessary confirmation of UC housing cost award. Appears to be onus is on claimant or social landlord to confirm rather than DWP.

**UC “Full Service” Roll-out:** At the Edinburgh forum landlords and staff working in East Lothian queried how UC works for prisoners with a specific case highlighted (i.e. continuation of housing costs) and a lack of knowledge within Jobcentre as to how to deal with. DWP advised process not been built into “full service” at this stage but should communicate locally to resolve. Another issue was sometime a lack of awareness of the final steps in the ‘on-line’ application process to make an appointment – DWP advise this is included in “to do” tasks and while current feedback is that it is working well then any views on difficulties would be appreciated. Also noted that there has been no increase to date in Personal Budgeting Support referrals in East Lothian with “full service”. Finally, also important to emphasise the use of “Verify” for UC applicants to verify their identity on-line through the “full service” roll-out. Applicants not aware of this in some instances and support needed in doing this as is a separate system/process from the UC application.

**Delivery Partnership Agreements & Personal Budgeting Support:** DWP advised that currently discussions over the assumptions used for PBS and digital support within these and associated funding. A new USDL framework is to be published in summer 2016 by DWP.

**Escalation Process for Landlords:** Given the number of operational queries from landlords DWP keen to promote use of the escalation process to resolve these particularly using local partnership structures with DWP.

At the Edinburgh forum Susan Johnston (DWP) took note of some of the queries that could not be answered on the day and would provide responses. **POST-MEETING NOTE** – Susan has provided this to SHN and will be emailed to all Edinburgh forum attendees.

**The SFHA provided updates on a range of detailed issues affecting landlords** including:

- A reminder that the ‘full service’ roll-out will extend to Inverness in July 2016 and to the rest of the Highland area by November 2016;
- The UC179 notifications (where the DWP notifies a social landlord of a UC claim) are moving to email notification and all RSLs are being asked to create a dedicated email for this purpose so it’s important that RSLs set this up and notify DWP (as DWP intend to start using this from 20/06/16);
- Other welfare cuts being introduced such as lowering of the benefit cap threshold – DWP has projected estimates of numbers affected by bands i.e. Glasgow & Edinburgh between 1000-1,999 households;

- The implementation of the sanctions 'advance notice' trial which is operating in 3 out of 4 DWP districts in Scotland;
- The LHA cap which applied to new general needs tenancies from April 2016 and to new supported accommodation tenancies from April 2017 – from April 2018 housing costs/HB awards will be restricted to the maximum LHA rate in the area;
- While HA rents generally below the LHA rate impacts likely due to shared accommodation rate being applied to under35s, higher rent costs of supported accommodation and the LHA rate will be frozen for 4yrs;
- The SFHA has launched a campaign working with HAs and engaging with UK and Scottish Governments on various aspects of the LHA impacts. Note that the SFHA are keen to receive case studies from RSLs or examples of services that might come under threat due to changes.

It was noted by some landlords across the forums that they had not received acknowledgements from the DWP for the UC179 email notifications that they had set up. DWP advised that they should receive acknowledgement and landlords should contact them to rectify this (contact Paul McCarron of DWP at UC Service Centre in Glasgow). In Inverness Jeremy Hewer (SFHA) noted that a 'test' email may already have been sent by DWP so HAs should check if they have received this.

The afternoon sessions also focused on smaller group discussions on Alternative Payment Arrangements and Discretionary Housing Payments and how these are working and could be improved from a social landlord perspective. Main feedback was:

- Still majority support among attendees for UC housing costs to be paid direct to landlords;
- Reiterated some of the issues around APAs in terms of inconsistencies regarding notifications, reference numbers, payments changing, delays in processing;
- Noted that APAs will remain part of system even under new Scottish devolved powers;
- Discretionary Housing Payments should not have specific priorities in terms of groups assisted but should be on a 'case by case' basis;
- DHPs – generally acknowledged that have become a route to deal with major gaps in new welfare system such as 'Bedroom Tax', Benefit Cap and potentially LHA rate cap rather than a minor mechanism to deal with specific housing cost hardship cases;
- DHPs – there could perhaps be more consistency in the administration process across Scotland;
- Landlords keen to have a 'landlord portal' as part of the UC IT system that could be a focus for information and communication flow;
- Needs to be clearer focus on identifying support needs of UC claimants and particularly tenants where housing cost difficulties provide a significant risk to sustaining tenancies. In Inverness Susan Johnston (DWP) highlighted that the claimant's commitment (with their consent) can be shared with support workers to allow a greater understanding of individual circumstances.

## **Conclusions**

Attendance at the May/June 2016 events was again strong and thanks to all those that participated in the forums. Ideas for future agenda items and speakers who would like to share their experience of welfare reform would be appreciated by the SHN. Please email [Moira Fraser](mailto:Moira.Fraser@scotlandshousingnetwork.org) 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@scotlandshousingnetwork.org) Tel: 0131 466 3710



Scotland's Housing Network

1<sup>st</sup> Floor, Verity House, 19 Haymarket Yards, Edinburgh EH12 5BH

Tel: 0131 240 5227 Web: [www.scotlandshousingnetwork.org](http://www.scotlandshousingnetwork.org)

Reg Charity No. SCO42381 Registered Company 401352 Scotland