

Welfare Reform and Housing

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HOUSING BENEFIT REFORM

- Capping of Local Housing Allowance in private sector/30th percentile
- Bedsit rate in private sector up to age 35.
- Bedroom Tax in Social Housing Sector- April 2013
- Benefit Cap affecting HB until intro of UC.- Not if exempt accommodation.
- Housing Benefit to be replaced by UC and paid to tenant-not in exempt

UNIVERSAL CREDIT WILL REPLACE

- WILL REPLACE
- HOUSING BENEFIT (unless in Exempt Accommodation)
- INCOME SUPPORT
- JOBSEEKERS ALLOWANCE (Income Based)
- EMPLOYMENT AND SUPPORT ALLOWANCE (Income Related)
- INCOME SUPPORT
- CHILD TAX CREDIT
- WORKING TAX CREDIT

CHALLENGES OF UC

- PAYMENT OF HOUSING COSTS TO TENANT
- ADMINISTERED BY DWP
- CLAIMANT COMMITMENT
- ON-LINE CLAIMS AND REPORTING

IMPLEMENTATION

- Timetable for introduction of UC is delayed
- Identified IT problems
- Pilots are very limited
- This gives valuable time to get ready
- This means timetable for those of Pension Credit age also delayed

WHERE ARE THE CURRENT PILOTS RUNNING

- TAMESIDE- STARTED 29TH APRIL 2013
- WIGAN- SINCE JULY
- WARRINGTON- SINCE JULY
- OLDHAM- SINCE JULY

NEW PILOTS OF UC FROM OCTOBER 2013

- HAMMERSMITH
- RUGBY
- HARROGATE
- BATH
- SHOTTON
- INVERNESS

WHO CAN CLAIM UC IN PILOTS?

- 18 – BUT UNDER 60 AND SIX MONTHS
- SINGLE
- BRITISH CITIZEN AND BEEN RESIDENT FOR PAST TWO YEARS HAS NOT LEFT UK FOR LONGER THAN FOUR WEEKS

WHO CAN'T CLAIM UC IN THESE PILOTS?

- COUPLES
- PEOPLE WHO ARE PREGNANT
- PEOPLE WITH CHILDREN
- PEOPLE ON AN EXISTING BENEFIT
- THOSE WHO HAVE MORTGAGE COSTS
- THOSE LIVING IN SUPPORTED ACCOMMODATION
- THOSE WHO ARE TOO ILL TO WORK
- THOSE WHO HAVE SAVINGS OVER £6000
- THOSE WHO ARE WORKING AND EARNING MORE THAN £270 OR £330
- THOSE WHO ARE HOMELESS
- THOSE IN TEMPORARY ACCOMMODATION
- THOSE WITH CARING RESPONSIBILITIES

SO WHO CAN CLAIM UC IN THESE PILOTS?

- SINGLE PEOPLE WHO HAVE NO CHILDREN AND ARE FULLY FIT TO SEEK WORK AND ARE NEWLY UNEMPLOYED
- THOSE CURRENTLY CLAIMING JSA WILL NOT BE TRANSFERRED DURING THE PILOTS
- THOSE ALREADY CLAIMING HB AT THE POINT THEY BECOME UNEMPLOYED CANNOT CLAIM UC.

WHAT DOES THIS MEAN ABOUT UC ROLL OUT?

- Very slow roll out
- DWP say they will give more details about other pilots in the autumn
- DWP have guaranteed full administrative funding for HB for 2014/15
- DWP have issued some guidance about who will be treated as vulnerable under UC and will have possibility of managed payments

ROLL OUT OF CLAIMANT COMMITMENT

- WILL START OCT 2013
- 100 JOBCENTRES PER MONTH
- NEW JOBSEEKERS CLAIMS
- CAN ASK TO JOBSEEK FOR 35 HOURS PER WEEK
- MAY SANCTION JSA BUT HB CAN STILL BE CLAIMED

PAYMENTS FOR HOUSING COSTS- EXEMPT

- Those in Exempt accommodation will continue to receive HB for housing costs under the current legislation.
- Will continue to be able to have these paid directly to their landlord
- DWP say that the service charge rules in HB will remain as now.
- However there is likely to be more scrutiny of charges

CURRENT DEFINITION OF EXEMPT

- ACCOMMODATION WHICH IS A RESETTLEMENT PLACE IN s.30 OF JSA ACT 1995 AND HAS GRANT ASSISTANCE OR
 - LANDLORD IS UPPER TIER COUNTY COUNCIL OR HOUSING ASSOCIATION OR CHARITY OR VOLUNTARY ORGANISATION
- AND

CARE SUPPORT OR SUPERVISION MUST BE PROVIDED BY LANDLORD OR ON LANDLORD'S BEHALF

DWP CONSIDERING CHANGES TO DEFINITION

- TO INCLUDE ACCOMMODATION DESIGNED OR DESIGNATED TO PROVIDE SUPPORT AND THAT SUPPORT IS FUNDED BY A PUBLIC BODY
- NOTHING IN LEGISLATION...WE AWAIT DRAFT REGULATIONS FOR CONSULTATION

RENT ARREARS AND UC HOUSING COSTS

- ONE MONTH ARREARS – PAYMENTS TO TENANT WILL BE REVIEWED
 - TWO MONTHS ARREARS – PAYMENT TO LANDLORD AUTOMATIC
 - SOCIAL LANDLORDS TO BE INVOLVED IN PROCESS OF HOW DECISION IS MADE
- * FAST PAY OFF OF ARREARS- 6-9 MONTHS

ALTERNATIVE PAYMENT ARRANGEMENTS

- PAYMENT OF HOUSING COST ELEMENT TO LANDLORD
- SPLITTING PERSONAL ALLOWANCE BETWEEN TWO ADULTS
- MORE FREQUENT PAYMENTS OF UC TO HELP BUDGETING

FACTORS FOR ALTERNATIVE PAYMENTS

- Drug/alcohol or other addiction
- Learning difficulties
- Severe multiple debt
- **In temporary or supported accommodation**
- Families with multiple and complex needs
- Homeless
- Mental Health condition
- Currently in rent arrears/threat of eviction
- Domestic violence/abuse
- 16/17 years old or care leaver

BEDROOM TAX LATEST

- CASES BEING WON AT FIRST TIER TRIBUNAL RELATING TO
 - SIZE OF ROOM
 - USE OF ROOM
 - DISABILITY NEEDS OF ADULTS

THEY DO NOT SET LEGAL PRECEDENTS

DWP SEEKING TO APPEAL – IF THEY LOSE WILL SET PRECEDENT

10 CASES HAVE PERMISSION TO GO TO COURT OF APPEAL

BENEFIT CAP

- APRIL – AUGUST 2013
- 7,800 HOUSEHOLDS IN GB HAD HOUSING BENEFIT CAPPED
- 59% HAD BETWEEN 1-4 CHILDREN
- 60% WERE SINGLE PARENTS

FUTURE BENEFIT RATES

- 1% INCREASE 2014/15
- 1% INCREASE 2015/16

- OVERALL CAP ON FUTURE WELFARE SPENDING

More Discretionary system is in development

- Discretionary Housing Payment system- HB departments managing an increased budget to top up HB payments- limited appeal rights
- Community Care Grants and Crisis Loans to Welfare Fund-national system-
- Advances of benefit

CHALLENGES OF REFORM

- WILL BE WORKING IN A MORE CONSTRAINED ENVIRONMENT IN TERMS OF ENTITLEMENT
- WHAT WILL YOU NEED TO KNOW?
- WHAT WILL YOUR TENANTS NEED IN TERMS OF SKILLS/KNOWLEDGE/HELP?
- HOW WILL THIS AFFECT RENT PAYMENTS/TENANCIES/ORGANISATION/SERVICE?
- WILL THE SERVICE NEED TO CHANGE TO FIT INTO DIFFERENT SYSTEM?

WHAT SUPPORT?

- Explaining new process and service
- Assistance making claims and managing UC account on-line
- Advice to help manage money under monthly arrangements
- Local Authorities will be key partners to the DWP in delivery also third sector

RENT IN THE NEW WORLD



OPPORTUNITY OR THREAT?

Barry Marlow



“..it’s no longer enough
to say we’ll simply raise
our game.
We must change it”

The sector needs to change its mindset”
(David Orr NHF)

The Direction of Change

“The only person who is
educated is the one
who has learned how to
learn & change”
(Carl Rogers)



THE LEGACY OF DIRECT HOUSING BENEFIT

Created 'Disconnects'

Little Customer Influence

Little Financial Responsibility

Skewed Policy and Procedure

Internal relationships misunderstood

"I Don't Pay Rent"



Remember...
you are a landlord

STRAIGHT TALKING MONEY

"A more commercial approach" (Green Square Dem. Project)

"The need to re-skill" (Bron Afon Dem. Project)

- Credit Checks
- Deposits
- Rewards
- Distraint/Bailiffs

CONFUSING TALKING RENT



CONSEQUENCES (Unintended?)

Impact of Welfare Reform – RE-THINK

The Service Context - Repair dynamic

Collection, Courts & Competition

The Collection Marketplace

The Enduring Legacy of Direct Housing Benefit

FINANCIAL RESPONSIBILITY... which includes your own

The RENT lesson...needs serious revision



THE *FEAR* OF DIRECT PAYMENTS TO THE "CONSUMER"

A generation of customers who have never actually paid the rent talking to a generation of housing officer who has never actually collected it

And the rent is...?

Policies are about recovery, not collection

Communication is traditionally poor

The 'service' has been disjointed

Customers don't understand what you are capable of

Trust works both ways...



The Rent Ethic

Tests the Health of processes

Establishes the priority and culture

Focuses on the Service and Customer

Negotiate from Strength

Bedroom Tax isn't Rent

Universal Credit isn't Rent

Housing Benefit has never been Rent



The Business of Rent



“Rent collection costs set to rise above £1/2 billion”
(Housemark)

- Collection of Rent
- Recovery of Arrears
- Eviction/Abandonment
- Court Orders
- Enforcement
- Transactions
- Protocols & Requirements £££

**What price
a sustainable tenancy?**



PARANOIA OF WELFARE REFORM

“Bedroom tax will create homelessness” (Jessica Morden MP)

Ground 8 conundrum (CIH Cymru & CHC beg to differ)

Non-eviction/Non-homelessness – ‘initiatives’

25% of bedroom tax in arrears for the first time...

...meaning lots of others were in arrears before bedroom tax?

The ‘invisible tenants’ (Lord Freud)

Compulsory Direct Debit?!

‘Non-essentials’ are defined in newsletter...



Can you really afford Sky, cigarettes, bingo, drinks and other non essentials?

If your benefit is being cut and you want to keep your home you have to make up the difference. Non-essential items won't matter if you lose your home. Start budgeting now - we can help you do this, call us!

BEDROOM TALK...good news

Profiled people we never knew existed
Established relationships with people who needed us
Revealed a background of debt and loans
Ability to sell our best services and products
Carried out financial appraisals
Built rapport and trust that reflected our capabilities
Exposed people to the way we work and our positive processes
Became part of the solution, not part of the problem
Revealed that issues ran deeper than bedroom tax

Labour will repeal! (they have to win first...)



Sustainable Tenancy Approach

UNSTOPPABLE FORCE (you) versus IMMOVABLE OBJECT (tenants)

Court Protocols and Requirements ...for Wales?

Thought we didn't want homeless people?



Evicted – then moving to...

Suspend everyone then spend £000's managing £00's

Lots more Debt Relief Orders

Intelligent Collection

| PRE | NEW | CASELOAD |
|--|--------------------------------------|-----------------------------------|
| Golden ground Expectations Culture | The BT/UC generation Thin File | The Overly Familiar You & Them |



YOUR CUSTOMER RELATIONSHIPS



Working together...
to influence customer behaviour:
the incentive and reward conversations



<http://www.cih.org/influencecustomerbehaviour>

Workshops

- **Aspiration, Inspiration & the Business Case**
- **Culture Change**
- **Marketing & the Customer**
- **Product Development**
- **Implementation & Impact**

Consultancy support
Networking
Final Report

No-one said it was easy



So let's have a Conversation
www.barrymarlow.co.uk